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I. ORGANIZATIONAL MATTERS

1. The Vice President, Mr. Carlos Sersale di Cerisano (Argentina), opened the third regular session 1995 of the Executive Board. He informed the Executive Board that two informal consultations had been held since its last session: on 28 August, on the terms of reference for the evaluation of the United Nations Development Fund for Women (UNIFEM) and on 29 August, on matters for review by the Board, in particular on United Nations Development Programme (UNDP) budget estimates for the next biennium. The United Nations Population Fund (UNFPA) had held informal consultations on 30 August on UNFPA budget estimates for the next biennium, the Fund's technical support services arrangements and the proposed UNFPA intercountry programme for 1996-1997. The Bureau had held two meetings, on 22 August and 5 September.

2. The Vice President informed the Executive Board that two field visits were planned for 1996, to the People's Republic of China, and to a post-emergency country in southern Africa. The Bureau would consult with regional groups on the composition of the teams.

3. The Executive Board approved the following agenda for its third regular session 1995, as contained in document DP/1995/L.4:

Item 1. Organizational matters

Item 2. UNDP: Matters relating to the programming cycles

Item 3. UNDP: Country programmes and related matters

Item 4. UNDP: Financial, budgetary and administrative matters

Item 5. UNDP: Agency support costs

Item 6. UNOPS: Financial, budgetary and administrative matters

Item 7. United Nations Development Fund for Women

Item 8. UNFPA: Financial, budgetary and administrative matters

Item 9. UNFPA: Report on the implementation of UNFPA successor support cost arrangements

Item 10. UNFPA: Global Initiative on Contraceptive Requirements

Item 11. UNFPA: Intercountry and country programmes

Item 12. UNDP/UNFPA: Field visits 1995

Item 13. UNDP/UNFPA: United Nations Joint and Co-sponsored Programme on HIV/AIDS

Item 14. Other matters

4. The Executive Board approved the work plan, contained in document DP/1995/L.4, as amended and distributed.

5. One delegation brought to the attention of the Executive Board paragraph 11 of General Assembly resolution 48/218 B, in which the General Assembly had established the United Nations Office of Internal Oversight Services in July 1994. The Office was responsible for ensuring that the same standard of internal oversight that existed in the United Nations Secretariat also existed in the funds and programmes. In resolution 48/218 B, the General Assembly had requested the Under-Secretary-General for Internal Oversight Services to consult with the Executive Boards of the operational funds and programmes and to report how the provisions of the resolution would be implemented with respect to the internal oversight activities of the funds and programmes. The Under-Secretary-General would contact the Board with the intention of holding a discussion in early 1996 on follow-up to the resolution.

6. The Executive Board decided to postpone item 5 - agency support costs - to the first regular session 1996. It also decided to postpone item 13 of the joint UNDP/UNFPA segment on the United Nations Joint and Co-sponsored Programme on HIV/AIDS and to consider it at its first regular session 1996 on the basis of a written report by the Secretariat.

7. The Executive Board approved the report of the annual session 1995 (DP/1995/39).

The following dates of future sessions of the Executive Board were approved:

15-19 January 1996	First regular session 1996
25-29 March 1996	Second regular session 1996
6-17 May 1996	Annual session 1996 (if held in Geneva)
13-24 May 1996	Annual session 1996 (if held in New York)
9-13 September 1996	Third regular session 1996

8. The Chief of the Executive Board Secretariat noted that the dates of the annual session 1996 had been moved from June to May in order to comply with paragraph 5 of Economic and Social Council resolution E/1995/50, in which the Council had reiterated that the United Nations funds and programmes should submit their reports to the Council [at its substantive session] in all official languages of the United Nations in good time, in order to enable the Council to carry out its policy guidance functions.

9. The Executive Board agreed to the subjects to be discussed at the above sessions, as listed in the annex to decision 95/37. The list of subjects on the agenda of the Board for 1994 to 1997 and a compendium of decisions adopted at the third regular session 1995 were distributed.

10. One representative expressed his thanks to the Executive Board for the productive work accomplished during the third regular session 1995. He cited the critical issues of importance to the work of UNDP and in that spirit, wished to draw attention to the budget estimates for 1996-1997. The

declining level of resources was of great concern and it was hoped that development partners would increase their support for the work of the organization.

11. The Vice President, Mr. Carlos Sersale di Cerisano (Argentina), on behalf of the Bureau of the Executive Board and on behalf of the entire Board, expressed his gratitude for the work accomplished under the leadership of the President, H. E. Mr. Zbigniew Wlosowicz (Poland). As this was the last meeting of the Executive Board in 1995, he wished to thank the President for his skilfulness and dynamism in guiding the work of the Bureau. The Vice President, Mr. Hong Jae Im (Republic of Korea), on behalf of the Asian and Pacific members of the Board, expressed gratitude to the President, the Administrator, the Secretariat, and the staff for their contributions to the work of the Executive Board.

12. The Administrator cited the great progress made by the Executive Board during 1995. He expressed his gratitude to the Board and its Bureau for their participation in resolving issues which had made a great difference to UNDP. The outgoing members of the Executive Board had contributed greatly to the work of the Board and would be missed. He also expressed appreciation to the secretariat.

13. The Executive Director of UNFPA noted that the informed and focused deliberations held by the Executive Board on UNFPA items during the year had clearly shown that the Board had indeed also become the Executive Board of UNFPA for which she was extremely grateful. She thanked the Board for the excellent guidance it provided throughout the year and looked forward to continued cooperation in the future.

14. The Executive Board approved decision 95/37, the overview of decisions adopted by the Executive Board at its third regular session 1995.

15. In closing the session, the President stated that the Executive Board had been successful in fulfilling the tasks of what had been a complex session. The most important factor was the human one: the people involved working with enormous devotion and heart, both delegations and the secretariat. The human interaction was lively and effective and an example of pragmatic cooperation had been set.

UNDP SEGMENT

II. UNDP: MATTERS RELATING TO THE PROGRAMMING CYCLES

Eligibility for granting an independence bonus

16. The Assistant Administrator and Director of the Bureau for Resources and External Affairs (BREA) introduced the report on eligibility for an independence bonus (DP/1995/46). He stated that there were two main aspects to the issue. The first was the issue of eligibility of the countries listed in the annex to the report for the independence bonus. Brief background information and an interoffice memorandum from the United Nations Office of Legal Affairs on the subject were included in the report. A representative of the United Nations Office of Legal Affairs was present at the session.

17. The second issue was the availability of resources to finance the independence bonuses should the Executive Board approve them. The Assistant Administrator recalled that when the Governing Council had established the programming framework for the fifth cycle in its decision 90/34, it had included a special earmarking of $100 million as an unallocated reserve for the purpose of subsequently issuing revisions to the indicative planning figures (IPF) of existing programmes as well as providing for IPFs for newly admitted countries. From 1992 to 1994, with the establishment of new IPFs and other revisions, over $150 million in additional earmarkings had been approved by the Governing Council/Executive Board, thus overdrawing the reserve.

18. During the mid-term review of the fifth programming cycle in 1994, the resource estimates for the cycle had been revised (based on actual contribution levels for 1992-1994 and projections for the remaining years of the cycle) leading to the Executive Board's approval of revised IPFs and Special Programme Resources (SPR) to 70 per cent of their original levels. Subsequently, additional earmarkings were approved by the Board, including those for South Africa and Haiti. As a result, a deficit of approximately $66 million in the balance of resources (compared to total programmable resources of $3,214 million) was currently expected to occur at the end of the fifth cycle. The Assistant Administrator explained that any additional earmarking made by the Board at the current session would likely increase the deficit.

19. The Vice President of the Executive Board, Mr. Carlos Sersale di Cerisano (Argentina), circulated a draft decision based on informal consultations. He explained that the decision needed to be considered in the context of the fifth programming cycle, and resources found within those available during that cycle. He also pointed out that the supplementary criterion of new independence would not exist in the successor programming arrangements agreed to in Executive Board decision 95/23. The draft decision would resolve the question of eligibility and look at the financial implications of the independence bonus, providing for a part of the bonus to be paid immediately and for the balance to be allocated should funds be available.

20. General support for the draft decision was expressed as it contained most of the elements necessary for an agreement. A number of speakers stated that the eligibility of countries was clearly based on Governing Council decision 76/43 and General Assembly resolution 2688 (XXV). However, some speakers asked for clarification on whether Council decision 76/43 had been

adopted with the intention that only newly independent states that lacked administrative infrastructure should receive an independence bonus. Others stated that decision 76/43 clearly showed that any country who had attained independence since 1973 was eligible for the independence bonus. Many delegations questioned the linkage between eligibility and status as a least developed country, as referred to in the legal interpretation provided by the United Nations Office of Legal Affairs. One speaker, supported by others, stated that a decision could not be taken on the basis of the legal interpretation provided in the document.

21. Several speakers described the difficulties that certain countries in transition were facing. The Vice Prime Minister of the Republic of Georgia, H.E. Mr. Irakli Menagarishvili, underlined the need for the independence bonus as a positive expression of support by UNDP. Some delegations recommended special consideration for least developed countries, in particular for Eritrea. There was general agreement that the countries included in the annex to the draft decision were eligible for an independence bonus.

22. It was agreed that granting of independence bonuses to the countries listed in the annex should be done within the context of the fifth cycle. Some delegations emphasized that the practice of providing a bonus to newly independent states should not be continued under the successor programming arrangements since the only supplementary criterion approved by the Executive Board in decision 95/23 was status as a least developed country. One speaker stressed that funding should not be taken away from other programmes. The Vice President answered that there would be no carry-over of funding to the successor programming arrangements.

23. One delegation asked for a clarification of the relationship between paragraph 19 of Executive Board decision 95/23, which referred to an allocation of an additional 0.5 per cent of total resources for the Europe and the Commonwealth of Independent States region, and the independence bonus. The Vice President explained that they were two separate issues relating to two different financial periods.

24. The representative of the Slovak Republic requested that his country be included in the list of countries eligible for the independence bonus. The Assistant Administrator, in response, explained that the Slovak Republic had not been included in the list contained in the annex to document DP/1995/46 as it was understood by UNDP that the Czech Republic and the Slovak Republic had both been admitted to the United Nations as new Member States whereas in the cases of the other countries listed, independence had been attained from a country whose status of membership in the United Nations had not changed.

25. A revised draft decision was distributed to the Executive Board. Prior to the adoption of the decision, as orally amended, the Vice President stated that the following points would be taken into consideration in connection with approval of the decision: (a) Eritrea, designated as least developed country by the General Assembly in December 1994, would receive $500,000 plus 5 per cent of the fifth cycle IPF immediately (as compared with the amount received by the others eligible for the independence bonus, which would receive $100,000 plus 5 per cent of the fifth cycle IPF); (b) in response to the request of the Slovak Republic for inclusion in the list of recipients of the independence bonus, the UNDP secretariat would request a legal interpretation of that country's eligibility from the United Nations Office of Legal Affairs and inform the Board accordingly; (c) the remaining balance of the bonus amounts (column 5 of the annex to decision 95/26) released up to the end of

the fifth programming cycle would be used to finance programming activities of that cycle although those activities might not be implemented until a later date; and (d) recipients of the independence bonus listed in the annex to decision 95/26 might utilize the amounts indicated in column 3 for programme planning purposes.

26. The representative of Armenia thanked the members and observers of the Executive Board for their support in the matter, initially raised by his delegation at the annual session 1995. He emphasized that the Administrator should ensure the availability of the remaining bonus amounts referred to in paragraph 5 of decision 95/26.

27. The Executive Board adopted the following decision:

95/26. Matters relating to the fifth programming cycle: calculation of independence bonus

The Executive Board

1. Takes note of the report of the Administrator on eligibility for an independence bonus (DP/1995/46), including, inter alia, the interoffice memorandum of the United Nations Office of Legal Affairs;

2. Takes account that independence has been achieved by the following countries during the fifth programming cycle: Armenia, Azerbaijan, Bosnia and Herzegovina, Croatia, Eritrea a/, Georgia, Kazakstan, Kyrgyzstan, Palau, Republic of Moldova, Slovenia, Tajikistan, The former Yugoslav Republic of Macedonia, Turkmenistan, and Uzbekistan;

3. Recalls in this context General Assembly resolution 2688 (XXV), in particular paragraph 16 of the annex thereto; Governing Council decision 76/43, in particular paragraph (b) thereof, in which the Council established the independence bonus; and Governing Council decision 90/34, in which the Council established the framework for the fifth programming cycle;

4. Decides that the countries listed in the annex to the present decision are eligible for an independence bonus; and that such bonus be financed immediately from the resources of the fifth cycle, to the extent of the amounts set out in column (4) of the annex, provided that existing allocations, inter alia, for country and intercountry programmes are fully honoured;

5. Further requests the Administrator to release subsequently the remaining bonus amounts set out in column (5) of the annex to the present decision up to the levels that the balance of programmable resources at the end of the fifth cycle is able to accommodate them;

6. Emphasizes that the resources for this bonus shall be derived from those of the fifth cycle and charged to the reserve for unallocated resources initially established in paragraph 19 of Governing Council decision 90/34; and that the bonus amounts remaining unfunded at the end of the cycle will not be carried forward to the next programming period;

7. Requests the Administrator to report on the implementation of the present decision to the Executive Board at its third regular session 1996.

14 September 1995

a/ Designated least developed country in December 1994.

Annex

Calculation of independence bonus

for countries granted recipient status during the fifth programming cycle

(millions of dollars)

New recipient	(1) Decision	(2) Fifth cycle IPF	(3) Independence bonus a/	(4) Immediately available (paragraph 4 of decision b/)	(5) Remaining balance (3)-(4) (paragraph 5 of decision)
Armenia	92/29	0.595	0.589	0.130	0.460
Azerbaijan	92/29	1.448	0.717	0.172	0.545
Kazakstan	92/29	2.608	0.891	0.230	0.661
Kyrgyzstan	92/29	2.752	0.913	0.238	0.675
Republic of Moldova	92/29	1.045	0.657	0.152	0.505
Turkmenistan	92/29	1.866	0.780	0.193	0.587
Uzbekistan	92/29	6.283	1.442	0.414	1.028
Bosnia and Herzegovina	93/3	0.600	0.590	0.130	0.460
Croatia	93/3	0.615	0.592	0.131	0.462
Georgia	93/3	0.525	0.579	0.126	0.453
Slovenia	93/3	0.444	0.567	0.122	0.444
Tajikistan	93/3	3.434	1.015	0.272	0.743
Eritrea	93/22	19.877	3.482	1.494	1.988
The former Yugoslav Republic of Macedonia	93/22	0.456	0.568	0.123	0.446
Palau	c/	0.229	0.534	0.111	0.423
TOTAL			13.917	4.039	9.878

a/ Represents $500,000 plus 15 per cent of the fifth cycle IPF.

b/ Represents $100,000 plus 5 per cent of the fifth cycle IPF (column 2); for Eritrea, $500,000 plus 5 per cent of the fifth cycle IPF.

c/ Granted recipient status prior to the fifth cycle; independence achieved October 1994.

III. UNDP: COUNTRY PROGRAMMES AND RELATED MATTERS

A. UNDP country programmes

Fifth country programme for Rwanda: Note by the Administrator (DP/1995/57)

28. The Assistant Administrator and Director of the Regional Bureau for Africa (RBA) introduced the adjusted fifth country programme for Rwanda and highlighted progress made in the three main areas of concentration. On the restoration of the administrative capacity of the State, the Director underlined the close collaboration with the Bretton Woods Institutions and the African Development Bank. The rehabilitation of the judicial system was proceeding, with the arrival in the country of 50 expatriate judicial personnel in September 1995. Finally, support to the resettlement of refugees was a critical element.

29. Through the round-table process organized by UNDP, the Government's programme for reconstruction and rehabilitation had received pledges of assistance for over $1 billion from bilateral and multilateral donors. The latest figures indicated that commitments, as reflected in signed agreements for projects, had reached $523 million while disbursements amounted to $244 million. Out of those funds, the amount of $183 million had been received by the country itself in goods and services.

30. UNDP was working closely with the Special Envoy of the Secretary-General in the Great Lakes region on the organization of a regional conference on peace, security and development.

31. The representative of Rwanda thanked UNDP for its support and underlined the need to accelerate the disbursement of resources to the country. Other delegations joined in expressing their support for the adjusted country programme and stressed the need to strengthen even more coordination mechanisms in the country. One speaker asked for further details on the work of the judicial experts and on the status of aid coordination in Rwanda with bilateral donors. Another representative asked about cooperation with non-governmental organizations. One speaker supported greater efforts in national capacity-building. The delegation of the Netherlands indicated that the figure in paragraph 20 of document DP/1995/57 should be updated as the total amount of Dutch bilateral assistance to Rwanda channelled through UNDP had now reached $16 million.

32. The Executive Board approved the re-orientation of the fifth country programme for Rwanda as described in the note by the Administrator (DP/1995/57).

Fifth country programme for Burundi: Note by the Administrator (DP/1995/58)

33. The Assistant Administrator and Director, RBA, introduced the adjusted fifth country programme for Burundi, which now concentrated on the transition from emergency to rehabilitation and development. The protracted instability in the country had necessitated an extension of that approach until the end of the current programming cycle.

34. UNDP was also assisting the Government in the preparation of a Friends of Burundi Conference, which would be followed by a round-table conference in Geneva in December 1995. The Friends of Burundi Conference, scheduled for October 1995, would concentrate on six key issues: security, justice, reintegration of refugees and displaced persons, youth, community development, and economic recovery.

35. Delegations expressed their support for the overall thrust of the adjusted programme, in particular the concentration on preventive development. In response to questions raised, the Executive Board was informed that the 16 provincial peace committees mentioned in document DP/1995/58 had not yet been established but that the national volunteer scheme was fully operational. Prevention and control of HIV/AIDS continued to be a key area addressed by the adjusted country programme. UNDP noted the Board's call for enhanced coordination in the country.

36. The representative of Burundi stated that improvements in the situation in his country had been noted. He encouraged the emphasis on development assistance to his country and expressed support for the adjusted country programme.

37. The Executive Board approved the adjustments to the fifth country programme for Burundi as contained in the note by the Administrator (DP/1995/58).

Haiti's development needs and activities: Note by the Administrator (DP/1995/48); Fifth country programme for Haiti (DP/CP/HAI/5)

38. The Deputy Director of the Regional Bureau for Latin America and the Caribbean introduced the note of the Administrator on Haiti's development needs and activities (DP/1995/48), which was submitted in response to Executive Board decision 95/4, and the fifth country programme for Haiti (DP/CP/HAI/5). The challenge in Haiti was enormous, as it was the poorest country in the Western hemisphere. The country had a newly restored democracy and enjoyed the strong support of the international community. Humanitarian aid was thus being phased out and reconstruction had begun. UNDP had been present in Haiti during and after the crisis, proving itself to be a trustworthy partner with a special role in support of encouraging a national consensus and reforms. Resource mobilization was a key component. UNDP worked with various actors on sustainable human development projects at the local level. UNDP had three areas of concentration: strengthening public sector management; economic growth and poverty alleviation; and protection and management of the environment. The Deputy Director underlined the need for additional resources to enable long-term development and sustainable development in Haiti and requested that the Executive Board authorize the Administrator to release the remaining 50 per cent of the restored IPF for programming.

39. The Prime Minister of Haiti, His Excellency Mr. Smarck Michel, addressed the Executive Board. He expressed his gratitude for the comprehensive report and underlined the importance of the UNDP programme in Haiti. In the prior 12 months, there had been intense collaboration between UNDP and the Government of Haiti. He wished to thank all partners in the United Nations system who had supported the Haitian people in overcoming the crisis in their

country. Haiti still needed the support of the international community through the forum of the United Nations as no other forum could help to rebuild the Haitian State. The role of decentralization in government was very important. Economic growth could only occur when democratic institutions were in place and where human rights and law were respected. Additional resources would help Haiti to coordinate international and national action on issues of urgency, an area in which UNDP played a critical role in helping Haiti's seven million people.

40. Delegations expressed their support for the release of the remaining 50 per cent of the restored IPF for programming to Haiti. Approval of the first tranche had been timely and useful. The role of UNDP in Haiti was important in mobilizing resources and in identifying the country's essential needs. Focus on the three core areas was supported, with one delegation commenting that a more structured approach in the area of public management capacity-building and a more in-depth approach in the area of the environment would be useful. Another delegation commented that more funding could be allocated to the project to rehabilitate prisons. One representative requested updated information on contributions to the Emergency Economic Recovery Programme.

41. The Resident Coordinator and Resident Representative in Haiti informed the Executive Board that only $400 million of the $1.2 billion pledged to Haiti by bilateral and multilateral institutions would be available in 1995, with only $200 million of that amount available for use in development programmes. As Haiti currently had a low absorptive capacity, a primary task of UNDP was to create a consolidated governance programme. It was hoped that further progress in that area would be achieved at the Consultative Group meeting to be held on 26 and 27 October 1995. He noted the increase of interventions in Haiti by multilateral aid partners, such as the World Bank, the International Monetary Fund and the Inter-American Development Bank, which had established or re-established offices in the country. The European Commission was playing a major role in agricultural development. New bilateral donors were also emerging.

42. It was noted by the Vice President, who was chairing the meeting, that the discussion of the role of UNDP in Haiti demonstrated the Organization's comparative advantage in coordination, which reaffirmed Executive Board decision 95/23, in which the Board had included an increased level of funding for that purpose.

43. The Executive Board approved the fifth country programme for Haiti (DP/CP/HAI/5), took note of the note by the Administrator on Haiti's development needs and activities (DP/1995/48) and authorized the Administrator to release the remaining 50 per cent of the restored IPF for programming.

Regional Directorate for Europe and the Commonwealth of Independent States

44. The Regional Director for Europe and the Commonwealth of Independent States informed the Executive Board that a major initiative of the Regional Directorate, the Beijing Express, had brought 270 participants from 30 countries in the region to the Fourth World Conference on Women in Beijing. The "Beijing Express Declaration" was an important input to the NGO Forum declaration to the Conference.

First country programme for Azerbaijan (DP/CP/AZE/1)

45. The Regional Director noted that Azerbaijan was one of the countries in transition to a market economy. Even though there were several common aspects related to transition, Azerbaijan had its specific needs, which were reflected in the following areas of concentration in the first country programme: (a) management of the environment and natural resources, with particular emphasis on national capacity-building; (b) rationalization of the productive sectors through improved management in the public and private sectors; and (c) assistance to rehabilitation and reconstruction management, including disaster management. Azerbaijan had been one of the 20 countries in the region to prepare a national human development report.

46. The representative of Azerbaijan commended UNDP in general and the Regional Director in particular for having implemented a wide range of activities in spite of having very limited financial resources. He commented that the amounts of financing for environmental programmes and for alleviating the social impact of refugees were insufficient in light of the needs of the country. A good example of a UNDP programme initiative was that taken to develop a free economic zone in the Sumgait area, which was considered by the President of Azerbaijan to be one of the country's most important economic initiatives.

47. One delegation, supported by another, pointed out that UNDP activities in Azerbaijan were spread too thinly over several priority areas. A more focused approach would be appropriate given the limited financial resources available for the country programme. Donor coordination could be improved at the country level and UNDP could be more aggressive in that respect. Another delegation requested further information on the UNDP/World Bank/International Monetary Fund cooperation referred to in paragraph 17 of the document.

48. The Regional Director indicated that IPF resources should be considered as seed money to attract additional resources under cost-sharing arrangements, as was the case in Latin America. An appropriate assessment of the country programme would be made once it had been implemented.

49. The Executive Board approved the first country programme for Azerbaijan (DP/CP/AZE/1).

First country programme for the Russian Federation (DP/CP/RUS/1)

50. The Regional Director for Europe and the Commonwealth of Independent States presented the first country programme for the Russian Federation (DP/CP/RUS/1), emphasizing that the programme was based on optimizing United Nations Development Programme assistance by introducing, as systematically as possible, the use of cost-sharing in programming, which was to a large extent generated in-country. He described the major areas of concentration of the programme: building institutional and management capacities at central and regional levels, sustainable human development, and support for democratic institutions and citizen participation. He also informed the Executive Board that the first national human development report for the Russian Federation, which focused on the employment situation, especially with regard to women, was being formulated and would be available before the end of 1995.

51. The representative of the Russian Federation expressed the gratitude of his delegation for the valuable assistance of UNDP in developing the first country programme for the Russian Federation. He called for an expansion of the UNDP presence in the Russian Federation, including the establishment of a UNDP office in Moscow, which could contribute to the successful implementation of the country programme. The representative emphasized that the value of the country programme was in its direct linkage with the strategic goals of social and economic transformation under way in the Russian Federation. Resources allocated to the country would be concentrated on the enhancement of management efficiency and the strengthening of national capacities for the development of market economy mechanisms and on the development of human resources, strengthening of democratic institutions and promotion of participation in the process of democratic reform.

52. Several delegations expressed their support for the country programme. Clarification was sought on the statistical data contained in paragraphs 3 and 4 of the document regarding the rate of population growth and the poverty line indicator. Two delegations stressed the importance of strengthening sectoral donor coordination in the Russian Federation and in increasing the efficiency of development cooperation.

53. In response, the Regional Director underscored the importance of sectoral donor coordination in strengthening the effectiveness of projects in the Russian Federation. He also clarified that the figure for population growth in the Russian Federation as contained in paragraph 4 of document DP/CP/RUS/1 should read -0.72 per cent instead of -7.2 per cent.

54. The Executive Board approved the first country programme for the Russian Federation (DP/CP/RUS/1).

B. UNDP mid-term reviews

Report on mid-term reviews: an overview (DP/1995/47)

55. In his opening remarks, the Assistant Administrator and Director, Bureau for Policy and Programme Support (BPPS) noted the importance attached to the mid-term review process by both UNDP and the programme countries. It was seen as an opportunity to assess the continued relevance of UNDP-supported programmes and the likelihood of achieving desired results. He highlighted the following observations of the review: (a) the interregional and regional programmes had largely conformed to the areas of focus identified in decisions 90/34 and 94/14; (b) the programmes had been quite responsive to the changing needs of the various regions; (c) while interregional and regional programmes remained the most viable mechanism through which UNDP could effectively address development challenges that transcended national boundaries, they required relatively long-term commitment from UNDP and the collaboration of other technical and financial partners; (d) progress had been noted in a number of areas, for example through the Consultative Group on International Agricultural Research, the United Nations Joint and Co-Sponsored Programme on AIDS and the eradication of river blindness in West Africa; (e) UNDP had supported the establishment of the International Vaccine Institute in the Republic of Korea, which would work towards the development and use of new and accessible vaccines for the major infectious diseases affecting children in

developing countries; (f) while fifth cycle interregional and regional programmes faced considerable resource constraints, the situation was partially compensated for by intensive resource mobilization efforts.

56. In conclusion, the Assistant Administrator outlined a number of lessons for the development and management of UNDP interregional and regional programmes. They included: greater focus on fewer and larger interventions based on Executive Board decision 94/14; better linkages between national IPF programmes and relevant interregional and regional programmes; localizing ownership of the activities of interregional and regional programmes through the decentralized management of project activities and increased use of regional and national institutions during the formulation and implementation of programmes; and greater attention to the management of resources to avoid the general overprogramming observed in the fifth cycle.

57. Several delegations expressed their satisfaction with the report. They appreciated its frankness and urged UNDP to take necessary steps to address its recommendations pertaining to better management of resources to avoid overprogramming, linkages between UNDP supported regional national activities and increased localization of activities. In addition, UNDP was also urged to adopt a results-oriented approach in its programming. One delegation supported the work of UNDP in global research in health and in agriculture as contributions to poverty elimination. Another perceived a regional imbalance, stating that the importance of Africa and the least developed countries (LDCs) should be stressed. In addition, owing to the differences among the regional programmes, particularly with regard to the availability of resources, it was difficult to obtain a cohesive overview of the regional programme concept.

58. One delegation introduced a draft decision on intercountry programmes. The purpose of the decision was to focus the work of UNDP in intercountry and global programmes on priority areas, using Executive Board decision 94/14 as the basis for regional, global and interregional programmes. Moreover, fewer and larger programmes should be emphasized, and a greater move to the programme approach incorporated. Dialogue at the national level should be supported. It was hoped that improved linkages would be made between the country and regional levels, with greater attention to results.

59. The Executive Board adopted the following decision:

95/25. Intercountry programmes

The Executive Board

1. Takes note of the report (DP/1995/47 and Add.1-6);

2. Confirms that Executive Board decision 94/14 should provide the basis of the focus and coherence for all future United Nations Development Programme-supported global, interregional and regional programmes;

3. Encourages the Administrator to continue the trend towards the programme approach by promoting fewer and larger interventions in support of clearly defined regional, interregional and global objectives;

4. Stresses the need to enhance the capability of the United Nations Development Programme to ensure improved design and implementation of

intercountry programmes and strengthen linkages between national programmes and relevant global, interregional and regional programmes in order to improve the impact of all these programmes;

5. Encourages the Administrator to identify and enhance the subregional, regional and national ownership of the elements of regional programmes in a more systematic manner through the decentralized management of activities and increased use of regional and national entities in the implementation and establishment of the linkages referred to above;

6. Requests the Administrator to ensure that the formulation of future United Nations Development Programme-supported regional, interregional and global programmes are based on a results-oriented approach in order to improve the impact of these programmes and incorporate clear performance criteria to enable their effectiveness to be evaluated;

7. Further requests the Administrator to enhance resource mobilization efforts in all areas, including intercountry programmes.

13 September 1995

Mid-term review of the fifth cycle programme for global and interregional programmes (DP/1995/47/Add.1 and Corr.1)

60. Several delegations expressed support for the mid-term review of global and interregional programmes. Some speakers emphasized the need for the programme to be enhanced by increased concentration on UNDP focus areas to highlight the Organization's comparative advantage. Delegations expressed support for particular programmes, including the UNDP/United Nations Population Fund/United Nations Children's Fund/World Bank/World Health Organization Programme for the Control of Diarrhoeal and Acute Respiratory Diseases, the International Vaccine Institute, and for the Energy Sector Management Assistance Programme, co-sponsored by UNDP and the World Bank. Information on the total cost of projects was requested.

61. One delegation asked that the reasons for the problem, addressed in paragraphs 28 and 29 of document DP/1995/47/Add.1, which stated that country offices had limited knowledge of global and interregional activities, be explained and that the situation be reviewed further. The programme must be relevant at the country level and the nature and impact of the contribution of UNDP must be shown. Larger programmes should be described in greater detail. Another delegation asked for more information on the criteria for UNDP funding of global and interregional programmes.

62. The Assistant Administrator and Director, BPPS, explained that UNDP often felt too little ownership of global and interregional programmes. Moreover, structural changes in UNDP had also affected the programme. The need to ensure better dissemination of information on the programme, as well as to set criteria for the next programme was being addressed. He stressed the importance of the global and interregional programme, noting that some projects had been funded for many years. Greater focus would be a priority in the future. He stated that it would be difficult for UNDP to move out of a specific sector entirely, giving the example of co-sponsored health and

agricultural research, but activities within a sector could be limited. With regard to research projects, there was a wide gap between the actual research and the efforts to utilize the results.

63. The Executive Board took note of the mid-term review of the fifth cycle programme for global and interregional programmes (DP/1995/47/Add.1);

Mid-term review of the fourth regional programme for Africa (DP/1995/47/Add.2)

64. Several delegations praised the quality of the report, in particular for its elaboration of the difficulties faced in implementing the programme.

65. One delegation expressed its concern at the relative decline in the funding for the regional programme for Africa and stated that although the devaluation of the CFA franc had been put in a negative light, it should be noted that the event had led to some positive outcomes. The elimination of 70 out of 100 projects called into question the initial justification for those projects. UNDP activities such as the National Long-Term Perspective Study programme and HIV/AIDS were seen positively. There should be enhanced coordination in the private sector. One delegation, supported by others, underlined that the vacant posts at headquarters should be filled with high calibre professionals.

66. Two delegations expressed concern about the problems noted in the report in financing the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF) and called on UNDP to be a catalyst for funding UN-NADAF. There was a need for further linkages between UNDP and regional organizations in the design and implementation of projects.

67. The Assistant Administrator and Director of the Regional Bureau for Africa explained that the regional programme had been reoriented and given stricter criteria in order to achieve the results desired. A rephasing of the fourth cycle had taken away fourth cycle borrowing and approvals against the fifth cycle had reduced programmable resources considerably.

68. In addition, there had been a 30 per cent reduction in national IPFs. She agreed that the CFA devaluation had indeed achieved some positive economic effects. With regard to vacancies at headquarters in the Regional Bureau for Africa, the situation would be examined following completion of the budget exercise. Elements of UN-NADAF were being taken up under the Secretary-General's Special Initiative on Africa, as discussed at the substantive session of the Economic and Social Council in July 1995. It was hoped that the Initiative would help to attract financing for UN-NADAF.

69. The Executive Board took note of the mid-term review of the fourth regional programme for Africa (DP/1995/47/Add.2);

Mid-term review of the fifth regional programme for Asia and the Pacific (DP/1995/47/Add.3)

70. One delegation emphasized the importance of the role of regional representatives in implementing regional programmes in countries without UNDP offices, specifically in small island developing countries.

71. Several speakers expressed appreciation for UNDP assistance to the countries of the Mekong basin in concluding an agreement for the creation of the Mekong Commission and in developing a joint regional development strategy for the area around the Tumen River basin, which had led to an agreement for further cooperation. One delegation emphasized that, while participation as an observer to the Programme Management Committee of the Tumen River project did not imply future commitments of the Government, it did not exclude a country's private sector from participating. An appropriate amendment to the document was requested.

72. One delegation appreciated the reduction in the number of projects referred to in paragraph 2 of document DP/1995/47/Add.3. In future, it would be useful to receive a listing of active projects. The frankness with regard to shortcomings in evaluation and monitoring was appreciated.

73. The Deputy Director of the Regional Bureau for Asia and the Pacific thanked the delegations for their comments. The Bureau shared the recognition of the important role of regional representatives in ensuring the access of small island countries to the United Nations system. He also thanked Governments who had provided support to the Mekong Commission and to the Tumen River project. He confirmed the understanding of the implications of observer status in the Programme Management Committee of the Tumen River Project. With regard to the reduced number of projects, he explained that numbers would decrease further. For future inter-country programming, all components would need to be justified in light of the new areas of UNDP focus. Corrective action was being taken with regard to deficiencies in monitoring and evaluation.

74. The Executive Board took note of the mid-term review of the fifth regional programme for Asia and the Pacific (DP/1995/47/Add.3);

Third regional programme for the Arab States: Note by the Administrator (DP/1995/47/Add.4)

75. The Executive Board took note of the report (DP/1995/47/Add.4).

Mid-term review of the fourth regional programme for Latin America and the Caribbean (DP/1995/47/Add.5)

76. One delegation expressed sympathy to the people of Antigua and Barbuda and other countries affected by Hurricane Luis and encouraged international support for the relief effort.

77. Several delegations commended the achievements described in the document on the regional programme. There was broad support for a process of consultation by UNDP with Governments in preparing for the fifth regional programme.

78. Many delegations commented on the fragmentation of the regional programme and observed that the thematic areas of concentration were quite broad. Delegations called for greater focus in the programme. They also urged that country programmes be linked more strongly to the regional programme. Some delegations underscored the importance of

improving the dissemination of information on the regional programme at the country level.

79. One delegation drew attention to paragraph 75 (i) of document DP/1995/47/Add.5, which recognized the particular vulnerabilities and characteristics of Caribbean countries. In that connection, the delegation viewed the fifth sentence of paragraph 24 of the document as inconsistent, and stated that they would have asked for its deletion. It was also noted that the Caribbean Community (CARICOM) played an active role in the execution of the Caribbean component of the programme.

80. Another delegation enquired as to the relevance of the participation in project RLA/90/008 relating to support for project development services for private enterprises and queried its link with poverty alleviation.

81. The Deputy Director of the Regional Bureau for Latin America and the Caribbean reiterated the Bureau's commitment to hold consultations with Governments in preparation for the fifth regional programme. He noted the need for greater focus as suggested and supported the call for closer linkage between the regional programme and country programmes. Moreover, he suggested that the regional programme focus more on initiatives in support of policy development. With regard to project RLA/90/008, he explained that it supported the preparation of feasibility studies in order to identify ventures that were economically viable and which in turn led to job creation.

82. The Vice President of the Executive Board stated that it was his expectation that in the future the role of civil society in the development process would be enhanced, in view of the new orientation of UNDP towards people-centred development.

83. The Executive Board took note of the mid-term review of the fourth regional programme for Latin-America and the Caribbean (DP/1995/47/Add.5);

Third regional programme for Europe and the Commonwealth of Independent States: Note by the Administrator (DP/1995/47/Add.6)

84. One delegation, stating that the note gave a positive assessment of the third regional programme, expressed support for what had already been done. It was necessary to give attention to problems in countries where an urgent need existed. The need to mobilize additional non-core funding was emphasized. Support was expressed for the activities of the new regional programme as described in the document. The delegation drew attention to paragraph 11 of document DP/1995/47/Add.6, which stated that further development of the work of the Regional Directorate for Europe and the Commonwealth of Independent States on the regional programme was hampered by its low level of human resources.

85. The Executive Board took note of the report on the third regional programme for Europe and the Commonwealth of Independent States (DP/1995/47/Add.6);

IV. UNDP: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

A. Annual review of the financial situation, 1994

86. The Assistant Administrator and Director, Bureau for Finance and Administration introduced the item. He reported that overall income for 1994 had increased by 21 per cent from 1993 while overall expenditure had remained roughly at the same level. He emphasized that the improved financial situation of UNDP in 1994 resulted mainly from (a) the continued steady growth in cost-sharing and non-core resources; (b) the relative weakness of the United States dollar in 1994; and (c) lower IPF and SPR expenditures, reflecting the reduction to 70 per cent in IPF targets used for resource planning purposes.

87. The Assistant Administrator indicated that, as income had exceeded expenditures, a significant amount had been added to the balances of general resources and cost-sharing. He pointed out that the balance of general resources did not represent additional resources for programming purposes, as there were commitments in the form of approved project budgets and administrative requirements for future years against such funds.

88. Some delegations expressed the view that the level of the balance of general resources in 1994 was too high. The Assistant Administrator responded that in light of the volatility associated with factors affecting the balance of resources, such as variations in pledged contributions and exchange rate movements, and the significant programme commitments and administrative requirements of UNPD for future years, the Administrator believed that the level of the balance of resources at the end of 1994 was appropriate. An informal paper was distributed to the Executive Board members providing additional information on the balance of resources and the relationship to programmable resources and operational reserve.

89. One delegation was of the opinion that a conservative approach to the determination of an appropriate balance of resources was prudent, but that the Board of Auditor's comments on the aspect would be welcomed.

90. With regard to the estimates for 1995 and 1996, the Assistant Administrator indicated that a further improvement in financial position of UNDP was expected for 1995. He indicated, however, that a drop in voluntary contributions in 1996 was anticipated, resulting in a forecasted reduction in the balance of general resources for 1996. Noting that UNDP had forecasted a reduction in voluntary contributions, one delegation indicated that future contributions from its Government to UNDP were indeed likely to be reduced.

91. One delegation expressed concern regarding the continued overexpenditure above the authorized level in the Reserve for Field Accommodation. The Assistant Administrator indicated that, as had been reported earlier, this overexpenditure had occurred mainly as a result of the expansion in the activities of the Reserve, in particular with regard to United Nations system common premises. He recalled that the Administrator had submitted to the Executive Board in 1995 a three-year plan for the utilization of the Reserve, which envisaged that the level of the Reserve would be reduced mainly through the disposal of assets, the reimbursement from agencies, and rental income. He also indicated that UNDP had continued a dialogue with the Board of

Auditors on the progress made in the implementation of the plan. In that connection, he reported on several management actions taken, including a valuation exercise; an in-depth review by an external accounting firm of the accounts and the accounting mechanisms of the Reserve; the disposal of assets in certain duty stations; tighter control of rental income and maintenance expenditure; and the strengthening of the Housing and Common Premises Unit. He also indicated the intention of UNDP to improve the presentation in the UNDP financial statements of the fixed assets and accounts receivable financed under the Reserve in order to reflect more accurately the nature of the activities of the Reserve.

92. The Assistant Administrator proposed that the routine reporting of observations by external auditors and audited accounts of executing agencies on UNDP funds be discontinued. He proposed to report only on significant observations as part of the annual review of the financial situation.

93. The Assistant Administrator also introduced the proposed changes to the UNDP Financial Regulations and Rules. A number of delegations supported the proposed revisions, indicating that they represented a positive step towards the further utilization of national capacity in UNDP programmes and projects.

94. The Executive Board adopted the following decision:

95/29. UNDP: Annual review of the financial situation 1994

The Executive Board

1. Takes note of the report of the Administrator (DP/1995/50 and Add.1-3;

2. Notes with concern the projected decline in the balance of United Nations Development Programme general resources in 1996 and again calls upon Governments to increase their voluntary contributions to the Programme on a predictable, continuous and assured basis;

3. Notes with appreciation the continued growth of national execution in the delivery of the programme;

4. Notes with concern the continued overcommitment and overexpenditure in the Reserve for Field Accommodation and requests that an update on the progress of the three-year plan on the utilization of the Reserve, as contained in document DP/1995/10/Add.1, be presented to the Executive Board at its third regular session 1996, and requests the Board of Auditors to keep this matter under close scrutiny;

5. Requests the United Nations Development Programme to keep under constant review its balance of general resources to avoid any excessive balance at the expense of a higher programme implementation rate;

6. Requests the Administrator to submit to the Board at its third regular session 1996 an up-to-date analysis of the risk situation of the operational reserve;

7. Approves the changes to the Financial Regulations proposed by the Administrator;

8. Takes note of the summary of significant observations of the external auditors of the executing agencies on their 1993 accounts relating to expenditures funded by the United Nations Development Programme, as well as the audit accounts and audit reports of the executing agencies as at 31 December 1993 relating to funds allocated to them by the Programme as contained in documents DP/1995/53 and Add.1;

9. Decides that in the future only significant observations of the external auditors of executing agencies on expenditures funded by the United Nations Development Programme should be included as part of the annual review of the financial situation and should be submitted to the Executive Board at its third regular session, or earlier, if such observations warrant it.

15 September 1995

95. The representative of Germany noted that approval of decision 95/29 by his Government was subject to approval from the Federal Auditor of Germany.

B. Revised budget estimates for 1994-1995 and budget estimates for 1996-1997

96. For its consideration of this item, the Board had before it the following documents:

(a) Revised budget estimates for the 1994-1995 biennium and budget estimates for the 1996-1997 biennium (DP/1995/51) and the supplementary tables to document DP/1995/51 contained in a conference room paper;

(b) Report of the Advisory Committee on Administrative and Budgetary Questions (DP/1995/52);

(c) Report of the Administrator on post reclassification (DP/1995/51/Add.1)

(d) Background and description of the presentation (conference room paper); the comments and clarifications of UNDP on the ACABQ observations (conference room paper); and background and further clarification of the proposals for separations and transitional measures (conference room paper);

97. The Administrator introduced the item by stressing the increasing core resource constraints under which UNDP was operating. As a voluntary funded organization, UNDP was well aware that it had to operate in the most cost-effective manner possible and therefore continued to ensure that budgets were carefully conceived and managed. In that connection UNDP had been responsive in ensuring that maximum resources were reserved for programme purposes, as currently demonstrated by the third consecutive strategy to reduce the administrative budget. By the end of 1997 those strategies have reduced administrative costs by $106 million since 1992 and the total number of core posts by more than 600. Headquarters posts would have been reduced by 31 per cent and Professional posts in country offices by 4 per cent. The budget proposals put forward were to be seen in the context of the basic mission and goals of UNDP, which had been reshaped by Executive Board decisions 94/14 and 95/23, which had created a new and revolutionary resource framework to enable effective implementation of the new UNDP mandate. It was against that

background that the Administrator summarized as follows the important elements in the budget proposals.

Revised estimates for 1994-1995

98. The final revised estimates amounted to $435.3 million (net) for UNDP core activities, including support to the operational activities of the United Nations, and reflected a net decrease of $1.4 million. No volume adjustments were introduced with regard to the core budget. The final estimates were $14.0 million or three per cent less than the original 1994-1995 estimates approved by the Governing Council in 1993, and which had already incorporated a reduction of $42.0 million. The Administrator proposed that the budget estimates for the Commonwealth of Independent States region be an integral part of the overall budget estimates, which would be consistent with the presentation of budget estimates for regions in general and country offices in particular. In that connection, while the total expenditures of the country offices in the region was not expected to exceed the original estimates, support was requested for covering a potential shortfall in the financing from non-core resources, from within overall budget resources.

99. The revised estimates for UNDP programme support and development activities (PSDA) included a volume increase of $0.2 million relating to the application of the staffing formula for the United Nations Volunteers (UNV). As recommended by the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the Administrator was certainly willing to review the staffing formula. With respect to the Funds, the revised estimates incorporated a number of proposals resulting in volume reductions. For the United Nations Capital Development Fund (UNCDF), the proposed reductions were a direct result of detailed review and restructuring. In the case of the United Nations Development Fund for Women (UNIFEM), the proposed reductions were in line with the recent decision of the Executive Board following its review of the financial and administrative situation of the Fund.

Budget estimates for 1996-1997

100. With regard to the 1996-1997 estimates, the Administrator stressed the following important principles and considerations underlying the budget strategy that flowed from the three priority objectives of UNDP:

(a) The operationalization of sustainable human development (SHD) in the four focus areas of the Programme, especially poverty elimination;

(b) Strengthening the role, relations and services of UNDP within the United Nations system, chiefly through the resident coordinator function;

(c) Continuing to develop adequate substantive capacity in the areas of priority concern, without duplicating capacities elsewhere in order to have sufficient knowledge to ensure the effectiveness of UNDP, who were the strong partners, and what were solid initiatives;

101. To those ends UNDP was:

(a) Maintaining, as a country-based organization, the country office network to the fullest extent possible while providing for flexibility in the structure of all offices, supported through clustering and networking;

(b) Maximizing resources by placing capacities and functions in the optimum location, in particular through decentralization and out-sourcing;

(c) Maximizing returns from good management of communications and information, which are essential for the efficient and effective functioning of the country office network and enhanced accountability;

(d) Maximizing staff resources through good and professional human resource management;

(e) Ensuring the accountability for all funds and programmes entrusted to the Administrator.

102. Bearing in mind those important principles and considerations underlying the budget strategy, the Administrator proposed a net volume reduction in the UNDP core budget of $53.3 million, comprised of $52.0 million in volume reductions and $1.3 million in increased government local office contributions.

103. The net effect of the proposed reductions was a net 1996-1997 core budget that was $2.8 million below the latest proposed revision of the 1994-1995 budget and $16.8 million below the original 1994-1995 budget. The proposals would result in the net elimination of 344 posts.

104. While stating that it was not always possible to work out proposals to the final details before the submission of documentation, the Administrator requested flexibility in the allocation of 5 posts out of the 725 international Professional posts in UNDP. He believed that it was reasonable and necessary for any organization undergoing change to have some flexibility to redeploy resources in response to new requirements and emerging opportunities.

105. With respect to the PSDA budget, the Administrator stated that his proposals in that area were achieved through offsetting increases in some subcomponents by decreases in others. No reductions were being proposed for programme development activities, as the Administrator stated that the existing capacity, which was already small, played an essential role in being able to provide meaningful support to the focus of the programme.

106. In covering the proposals for the Office of United Nations System Support and Services (OUNS), the Administrator noted the comments of ACABQ and stated that OUNS had been established as a result of the need to rationalize, integrate and serve as the focal point for a number of functions in support of the United Nations resident coordinators, who were under the authority of the Administrator. In that connection, the following points were highlighted on OUNS and the resident coordinator function:

(a) In addition to their regular functions, act as head of the disaster management teams and, in most instances as humanitarian coordinator, resident coordinators were also called on to perform the duties of the designated official for security matters, assist the Administrator in the integrated follow up to United Nations global conferences and in other assignments from the Secretary-General, and managed new resources that were available to support the resident coordinator functions as decided in the new programming arrangements;

(b) The Administrator had become the focal point of receiving and processing the annual report on the resident coordinator system. OUNS played an integral role in the analysis and dissemination of the information derived from those reports;

(c) OUNS was instrumental in communicating with resident coordinators to inform them of major developments arising from the work of the United Nations system;

(d) OUNS supported the Administrator in his responsibilities for the process of appointing resident coordinators, which had been transferred to him by the Secretary-General;

(e) UNDP had a major commitment to the management, staffing, backstopping, training and supporting of the resident coordinator system and as such, required centralized management, essential for its success. The leadership for such management fell under OUNS;

(f) OUNS supported the Administrator in his closely related role of assisting the Secretary-General in ensuring policy coherence and enhancing coordination within the United Nations system;

(g) While the financing of OUNS from UNDP resources was the subject of the ongoing debate in the General Assembly on the financing of the United Nations operational activities for development, the Administrator stated that he continued to believe that his current proposal was modest and justified.

107. Regarding the Inter-Agency Procurement Services Office (IAPSO), the Administrator stated that the proposed reductions and upgrading of posts, which had been formally classified, had been based on a prioritization of IAPSO activities and the size and nature of its extrabudgetary activities.

108. With regard to the United Nations Volunteers Fund (UNV) the proposed reductions were based on the results of an ongoing effort by UNV to rationalize and streamline functions, in addition to the savings that were expected to be derived as a direct result of the move to Bonn.

109. The proposals relating to the Funds arose from the initiatives already taken in 1994-1995.

110. With respect to separations and transitional measures, the Administrator referred to the conference paper, which provided a more comprehensive review in the form of comments and additional clarification, following the specific comments made by ACABQ on the subject. In that connection, the Administrator noted the following:

(a) In undergoing a third consecutive downsizing, it was essential that UNDP be given the opportunity to manage change and the transition process in an orderly fashion;

(b) The ability for UNDP to achieve reductions through normal attrition, recruitment freeze and early retirement was now more limited, following the downsizing in the previous two biennial budgets. In addition, UNDP needed continually to adjust staff profiles, considering its new

mandate. It was against this background that the amount of $14 million was being requested;

(c) In addition, $8.4 million was being requested from 1994-1995 savings, for providing flexibility in the timing of staff changes, providing professional assistance and counselling to staff on matters of career transition associated with the downsizing, and for the acceleration of the development of the information systems;

(d) The nature of the above proposals were not different from those approved in the context of the 1994-1995 biennium and therefore were being requested for in the same manner.

Summary of discussions in the Board

111. Most delegations welcomed and expressed appreciation for the Administrator's comprehensive statement on the budget proposals. It had provided good clarification and additional information on a number of issues. Some delegations welcomed the great deal of consistency between the proposals for initiatives of change, the successor arrangements and the budget proposals. Many delegations voiced their appreciation and strong support for the thrust of the budget strategy for the 1996-1997 biennium and the resultant substantial volume reductions. Given the fact that the current downsizing would be the third consecutive downsizing, some delegations felt that UNDP was in the forefront within the United Nations system, and should be regarded as an example to be followed by other United Nations agencies, funds and programmes. Some delegations were concerned that the operational capacity of UNDP could be effected by such a third budget reduction strategy. Some delegations also expressed their hope that in recognition of three consecutive budget reductions adopted by UNDP, the voluntary contributions to the organization would now be increased.

112. While most delegations expressed their appreciation for the report of ACABQ, some delegations noted the negative tone of the report and the lack of recognition of the budget reduction strategy adopted by UNDP. Many delegations stressed that important contributions could be gained from functional analysis in the process of rationalization. Many delegations, in expressing their difficulties with the presentation of the budget document, stressed the need to accelerate the work related to the harmonization of budget presentations with the view to achieving common definitions and obtaining a higher degree of financial transparency and comparability, and thereby providing for more user-friendly documents. One delegation noted that achieving absolute transparency would be rather difficult, considering the complexity of UNDP operations. Delegations also saw the need for a consultative process during the preparation of the budget document.

Revised estimates 1994-1995

113. With regard to the revised 1994-1995 estimates, general support was given to the Administrator's proposals. Delegations supported the ACABQ opinion that the time had come for UNDP to review the staffing formula for adding supplementary UNV headquarters staff on the basis of an increase in the number of volunteers in the field. Delegations supported the request to cover a potential shortfall in the financing from non-core resources of the

country offices in the Commonwealth of Independent States from within overall budget resources and henceforth to present the budget estimates for the country offices in the region as an integral part of the overall budget estimates.

Estimates for 1996-1997

114. Many delegations queried the need to have the Office for Development Studies as a separate unit and requested further clarification.

115. On the question of according the Administrator the flexibility of having five posts to be filled at a later date, some delegations requested for specifics before they could make a decision while some delegations felt the request was reasonable.

116. On the proposals for OUNS, most delegations saw the need for the functions in the United Nations system as a whole, but were concerned about duplication of tasks and whether it was appropriate for UNDP to finance those functions through its own voluntary contributions. It was felt that the United Nations system at large, specifically the United Nations, should be sharing the costs. On the other hand, some other delegations felt that the introductory statement of the Administrator had given arguments that were convincing.

117. Most delegations fully supported the Administrator's decision not to undertake any staff reductions in the Division for Audit and Management Review.

118. Many delegations emphasized that UNDP was a country-based organization and welcomed in that regard that a relatively larger share of the reduction had been introduced at headquarters rather than the field. Some delegations were concerned that the Africa region absorbed the largest share of the reductions. One delegation requested additional clarification of the impact of the various budget reduction strategies in the Africa region.

119. Some delegations supported the proposals to strengthen the Regional Directorate for Europe and the Commonwealth of Independent States and the country offices in the Commonwealth of Independent States region, while still expressing some concern on the overall staffing levels in some of the country offices. Delegations supported the opinion of ACABQ that the name of the Regional Directorate for Europe and the Commonwealth of Independent States should be changed to the Regional Bureau for Europe and the Commonwealth of Independent States. The same delegations expressed the need for UNDP to recognize the special needs of the region in carrying out its operations within the region.

120. One delegation saw the budget as the backbone of the next programming period and therefore hoped that the current 1996-1997 budget estimates would eventually reflect adjustments, once the allocation of programme resources at the country level had been approved.

121. One delegation asked why some offices with smaller core programme resources had more staff than some other offices with a higher level of programme resources.

122. Another delegation was concerned whether UNDP, through its current budget strategy not to effect reductions under PSDA, was gradually moving from a catalytical country-oriented organization to a more theoretically oriented organization.

123. Some delegations expressed concern that with the reducing trend in core resources and the increasing growth in non-core resources, UNDP would gradually lose its flexibility in resource allocation to programme countries. In that connection, one delegation felt the need for more budgetary support to strengthen the resource mobilization function.

124. Many delegations appreciated the progress made in the implementation of the regional service centre concept in the Asia and the Pacific region and the Africa region and fully supported the Administrator's proposals in that regard.

125. Some delegations considered that the proposals for the Integrated Programme Management project (IPM) and the Integrated Management Information System project (IMIS) were modest, and urged UNDP to work towards their completion while collaborating with the United Nations Secretariat on IMIS as required.

126. On the revised framework for contributions by Governments towards local office costs, some delegations disagreed with the proposal to revise the waivers on the basis of Executive Board decision 95/23 and to finance the need to provide Professional staff for net contributor countries based on programming levels. Some delegations expressed concern at the shortfall in the receipt of such contributions.

127. One delegation stressed the need for UNDP to ensure sound and good management at all times, especially in such times of radical change. In that regard, the same delegation stressed the importance of good human resource management.

128. Some delegations made specific reference to and indicated their full support for consolidating further the control functions of all project and programme funds into one unit reporting directly to the Director of Finance.

129. On the subject of the separations and transitional measures, delegations supported the need for UNDP to undertake such measures, based on the proposed budget strategy. In that regard, delegations agreed that the costs involved were exceptional and should be treated as such. One delegation requested information on the basis of the calculations of separations. Some delegations were concerned that UNDP might lose talented staff members in implementing the separation measures.

130. Delegations supported the ACABQ opinion to conduct regular reviews of the estimated workload relating to support to the operational activities of the United Nations in order to substantiate the 29 per cent currently estimated to represent such workload.

131. Delegations also supported the ACABQ opinion that a comprehensive review be undertaken of the programme development activities in the field and the development support services in the context of the 1998-1999 budget estimates.

132. One delegation, supported by another, requested that the savings derived from the move of UNV to Bonn be provided to UNV for programme purposes.

133. One delegation felt that insufficient consultations had been carried out in the preparation of the Human Development Report and requested that in future regular consultations be held during the preparation of the report. Another delegation cautioned that any such consultations should not jeopardize the independent nature of the report. Another delegation felt the time had come to assess the impact of the reports issued so far.

134. One delegation noted that the decision in 1993 by the Governing Council to integrate UNSO into the core programme of UNDP was not reflected in the budget proposals.

135. One delegation was concerned that since most of the cuts in international Professional posts had occurred at junior and mid-levels, minimal room would be left to recruit any new young talented staff members into the organization. The same delegation queried the level of the cost of annual salary increments.

136. A delegation queried if the opening of the new office in Brussels would have any impact (on the status, role and importance) on the UNDP European Office in Geneva.

137. Some delegations commented on the upgrading of the D-2 post in IAPSO, and asked why it could not be considered after the review of IAPSO operations.

Response of the Administration

138. The Administrator thanked delegations for their very positive and constructive comments. He informed them that he would be renaming the Regional Directorate of Europe and the Commonwealth of Independent States as the Regional Bureau for Europe and the Commonwealth of Independent States. On OUNS, he referred to the fact that the financing of United Nations operational activities was being debated in the General Assembly but that his proposals for financing OUNS were rather modest, considering that a substantial part of OUNS activities related to the resident coordinator function, which was under UNDP authority. In that regard, he noted that of the seven posts in OUNS, 5.5 posts were dedicated to supporting the resident coordinator function while only 1.5 posts were involved in assisting him in his support to the Secretary-General.

139. On ODS, the Administrator reiterated the need to keep the office as a separate unit since it was involved in preparing reports on development policy and was not an operational function. In addition, it was a small office.

140. With regard to the flexibility requested in the form of five posts, the Administrator reiterated that the posts were essential to him in this current changing environment in UNDP, and that he was in the final process of drawing up their relevant terms of reference. He assured the delegations that he would inform them of their specific nature.

141. In reacting to the comment by some delegations on the declining trend in core resources and the possible negative impact on the operational capacity of UNDP due to the three budget reduction strategies, the Administrator hoped

that with the low overhead UNDP would gain further credibility and attract core resources.

142. On the lack of consultations in the preparation of the Human Development Report raised by one delegation, the Administrator assured the delegation that attention would continue to be paid to the consultative process.

143. In referring to the ACABQ comments on the presentation of the budget, the Assistant Administrator and Director, Bureau of Finance and Administration stated that in order not to have a lengthy budget document, an extensive description of existing concepts and definitions had not been repeated, on the assumption that readers were already familiar with them. However, a description had been made available in the form of a conference room paper. In hindsight, the Assistant Administrator indicated that considering the changing readership of the document, the information would be included in future documents. He further stated that UNDP was fully committed to the harmonization of budget presentations. In addition, the Assistant Administrator suggested that information on some questions would be provided at the informal meetings and on a bilateral basis.

144. With regard to the reductions in the Africa region, the Assistant Administrator, followed by the Chief of Budget, reiterated that the Africa region had absorbed a greater share of the reductions since it had the largest share of the UNDP core budget. However, if the staffing levels since 1992 were looked at in comparison to programme resources, the capacity had hardly been affected. Furthermore, the Africa region had been provided with an adjustment to its reduction target amounting to $2.0 million per year.

145. On the proposal to upgrade the post of Director of IAPSO to the D-2 level, the Assistant Administrator indicated that the post had already been formally classified and that the impending review of IAPSO's procurement operations had no impact on the post level.

146. On the subject of contributions by Governments towards local office costs, the Chief of Budget indicated that the proposals basically reflected the new waivers approved in June 1995 with respect to the next programming cycle and was as such consistent with the approach approved by the Governing Council in previous programming cycles.

147. Regarding the integration of UNSO, the Administrator indicated that UNSO had a new name and was already mainstreamed as a part of the Bureau for Policy and Programme Support (BPPS).

148. The Assistant Administrator indicated that the specific reduction proposals with respect to country offices and the Regional Bureaux were developed by the Regional Bureaux themselves.

149. With regard to changes in budgetary allocation for the UNDP Geneva office, the Assistant Administrator indicated that these were considered in a manner similar to those for UNDP headquarters in New York. However, he indicated that the D-2 post previously borrowed from the Geneva office, had been returned to the budget of that office.

150. The Director of Personnel indicated that in the light of a third budget strategy, there were fewer staff members leaving through attrition and early

retirement. Therefore, separations had to be open to all staff at all ages. He was confident that UNDP was doing its best to maintain the best and brightest staff and felt that most staff themselves felt that UNDP provided considerable job satisfaction and challenges.

151. On the use of the savings resulting from UNV's move to Bonn and the allocation thereof for UNV programme purposes, the Assistant Administrator indicated that the savings so derived were reflected as part of the overall reductions incorporated in the 1996-1997 biennial budget estimates. He indicated that an increase in resources for programme purposes would be a matter to be considered by the Executive board while covering the allocation of programme resources.

152. The Executive Board adopted following decisions:

95/28. UNDP: Revised budget estimates for the biennium 1994-1995 and budget estimates for the biennium 1996-1997

The Executive Board

I.

1. Takes note of the revised budget estimates for 1994-1995 and the budget estimates for 1996-1997 (DP/1995/51 and Add.1), the report of the Advisory Committee on Administrative and Budgetary Questions (DP/1995/52), and the introductory statement made by the Administrator, as well as of the comments made thereon by the Executive Board;

II. Revised budget estimates for the biennium 1994-1995

2. Takes note of the realignments and adjustments incorporated in the revised 1994-1995 budget estimates, including the fact that in accordance with paragraph 4 of Executive Board decision 94/29 of 10 October 1994 and paragraph 6 of decision 94/32 of 10 October 1994, the biennial budget estimates of the United Nations Office for Project Services are no longer included in the United Nations Development Programme biennial budget presentation;

3. Endorses the proposal to present the budget estimates for the Commonwealth of Independent States and Baltic States as an integral part of the overall budget estimates consistent with the presentation of budget estimates for regions in general and country offices in particular;

4. Endorses in respect of the Commonwealth of Independent States and Baltic States, the proposal to cover from savings in the revised 1994-1995 core budget the anticipated shortfall in extrabudgetary income generated from co-financing and cash contributions towards local office costs;

5. Approves the revised budget estimates in respect of the United Nations Volunteers programme;

6. Approves revised appropriations in the amount of $574,392,700 gross, to be allocated from the resources indicated below to finance the 1994-1995 biennial budget, and resolves that the income estimates in the amount of $36,700,000 shall be used to offset the gross appropriations, resulting in net appropriations of $537,692,700, as indicated below:

7. Authorizes the Administrator to redeploy, within the approved appropriation for United Nations Development Programme core activities, resources between the appropriation lines for headquarters and country offices up to a maximum of 5 per cent of the appropriation to which resources are redeployed.

United Nations Development Programme revised budget estimates for the biennium 1994-1995 for administrative services, programme support and development activities and the funds
(Thousands of United States dollars)

	APPROVES: Gross/net appropriations	TAKES NOTE OF: Estimated extra-budgetary income	TAKES NOTE OF: Total gross/net estimates
I. RESOURCES OF UNDP			
A. UNDP core activities a/			
Headquarters b/	148 568.5	31 951.7	180,520.2
Country offices	230 305.5	41 771.8	272,077.3
Gross UNDP core activities	378,874.0	73,723.5	452,597.5
Estimated income	36 700.0	0.0	36,700.0
Net UNDP core activities	342,174.0	73,723.5	415,897.5
B. Programme support and development activities			
Programme development activities	25 980.6	0.0	25,980.6
Support to the operational activities of the United Nations	93 157.3	0.0	93,157.3
Project/programme implementation services			
DSS	6 225.0	0.0	6,225.0
IAPSO	6 140.3	3 552.8	9,693.1
UNV	33 619.9	2 725.3	36,345.2
National execution	3 263.4	0.0	3,263.4
Total project/programme implementation services	49,248.6	6,278.1	55,526.7
Programme support c/	2 300.0	0.0	2,300.0
Total programme support and development activities	170,686.5	6,278.1	176,964.6
C. Total resources of UNDP			
Gross resources	549,560.5	80,001.6	629,562.1
Estimated income	36,700.0	0.0	36,700.0
Net resources	512,860.5	80,001.6	592,862.1
II. RESOURCES OF FUNDS			
A. UNCDF	10 651.9	0.0	10,651.9
B. UNRFNRE and UNFSTD	1 653.1	314.1	1,967.2
C. UNSO	6 614.8	3 736.5	10,351.3
D. UNIFEM	5 912.4	298.8	6,211.2
Total	24,832.2	4,349.4	29,181.6
III. TOTAL UNDP APPROPRIATIONS			
Gross appropriations	574,392.7	84,351.0	658,743.7
Estimated income	36,700.0	0.0	36,700.0
Net UNDP appropriations	537,692.7	84,351.0	622,043.7

a/ The Administrator is authorized to redeploy within the approved appropriation for UNDP core activities, resources between appropriation lines for headquarters and country offices up to a maximum of 5 per cent to which resources are redeployed in accordance with paragraph 7 of Executive Board decision 95/28.

b/ Extrabudgetary income represents income from external sources, exclusive of reimbursements from non-core units; these are included in the appropriation estimates of the non-core units.

c/ Represents UNDP contribution to CGIAR and UNDP-UNSO/UNEP partnership.

III

Budget estimates for the biennium 1996-1997

8. Notes with concern the decline in the core resources of the United Nations Development Programme, and again calls upon Governments to increase their voluntary contributions to the Programme on a predictable, continuous and assured basis;

9. Requests the Administrator to continue to bear in mind the overall context and strategy in which the budget estimates for the 1996-1997 biennium should be viewed, in particular the resolutions and decisions adopted by the General Assembly and the Economic and Social Council relating to operational activities and Executive Board decisions 94/14, 95/22, and 95/23, and the need to give priority to the least developed countries and the low-income countries, particularly in Africa;

A. Budget estimates for core activities

10. Appreciates the proposal of the Administrator to continue a restrictive budget policy and to implement volume reductions with the aim of maximizing the resources that are available for programme and programme support activities, and, in this connection, emphasizes the importance of:

(a) Safeguarding accountability and ensuring that the delivery of the Programme is not negatively affected;

(b) The policy to reduce a larger percentage of headquarters than field posts and using functional analyses and consistent and transparent criteria to contribute to an effective process of rationalization;

(c) Placing capacities and functions in optimal location through decentralization and out-sourcing;

(d) Maximizing benefits through improved management of communications and information;

11. Requests the Administrator, in the context of the revised budget estimates for the 1996-1997 biennium, for an assessment of the impact of the present budget decision on the organizational capacity of the United Nations Development Programme, in particular the adequacy of human resources both at headquarters and country level, taking into account the comparative advantage of the Programme and decision 95/23;

12. Requests the Administrator to keep the Executive Board informed on progress made in clustering and networking, as described in paragraph 76 (a) of document DP/1995/51, as well as on steps being taken to promote common services with other United Nations agencies at the country level;

13. Takes note of the proposal by the Administrator to reserve five posts for subsequent allocation by him and the additional information provided by him thereon and the assurance that they will be dedicated to meeting the organizational objectives of the United Nations Development Programme, ensuring more organization-wide approaches, including improved communications among the Regional Bureaux, and servicing the country-office network;

14. Requests in this connection the Administrator to inform the Executive Board through the Advisory Committee on Administrative and Budgetary Questions on the final allocations of the posts as soon as possible, and no later than the second regular session 1996 of the Executive Board;

15. Emphasizes the need for enhancing the management of the human resources of the United Nations Development Programme, including, inter alia, improved

training, continued recruitment of new qualified staff, including at the junior level, transition and out-placement;

16. Approves the proposals of the Administrator contained in paragraphs 151-157 of document DP/1995/51 relating to separations and transitional measures through a one-time charge against the balance of general resources;

17. Requests the Administrator to report on the use and status of these reserves in the context of future biennial budget presentations;

18. Requests the Administrator, in accordance with Executive Board decision 95/23 concerning the successor programming arrangements, including the new resource allocation system, to ensure that there is adequate flexibility in staff postings to implement this system effectively, and to provide information to the Board on criteria guiding the staffing of country offices;

19. Takes note with concern of the proliferation of units reporting directly to the Administrator and invites the Administrator to review the organizational structure of the United Nations Development Programme and inform the Executive Board of the outcome of this review;

20. Takes note of the special adjustment accorded to the Africa region in line with the special initiatives taken by the Secretary-General in the context of the United Nations New Agenda for the Development of Africa in the 1990s, and that this adjustment does not result in additional staff reductions in other regions;

21. Approves in this connection the reinstatement of the level of the second Deputy Director post in the Regional Bureau for Africa from the D-1 to the D-2 level;

22. Takes note of the Administrator's decision to rename the Regional Directorate for Europe and the Commonwealth of Independent States the Regional Bureau for Europe and the Commonwealth of Independent States;

23. Approves the proposals of the Administrator contained in paragraphs 113 to 116 of document DP/1995/51 to provide the United Nations Development Programme with the minimal additional capacity to ensure effective operations and to carry out its coordinating role for United Nations operational activities in the Europe and the Commonwealth of Independent States region;

24. Takes note with appreciation of the progress made in the implementation of the regional service centre concept in the Asia and the Pacific region and the Africa region, including the general set-up, the level of coverage, the cost estimates, and the sources of financing;

25. Requests the Administrator, in light of the increase in non-core resources, to analyze the impact on the quality of the programme activities of the United Nations Development Programme, the relationship between core and non-core resources, and review the costs, including staff costs, involved in providing operational and administrative support to non-core activities;

26. Endorses the proposal not to undertake staff reductions in the Division for Audit and Management Review;

27. Stresses the need to maintain an adequate provision for translation;

28. Calls on the Administrator to keep the Executive Board informed on deliberations with regard to the reimbursement to the United Nations for services rendered by the United Nations to the Programme;

29. Decides to maintain, in line with the provisions of the standard basic agreements between host Governments and the United Nations Development

Programme, the arrangement whereby host Governments contribute towards the costs of country offices;

30. Strongly urges all programme countries, especially those who have made no or relatively modest contributions towards their obligation for reimbursement of the costs of country offices, to increase their contributions with a view to meeting their full commitments;

31. Decides to review the principles and criteria for determining the amounts to be reimbursed by host Governments as contributions towards the cost of country offices at the third regular session 1996;

B. Budget estimates for programme support and development activities

32. Takes note of the budget proposals relating to programme support and development activities;

33. Takes note further of paragraph 38 of the report of the Advisory Committee on Administrative and Budgetary Questions (DP/1995/52) on the Office of United Nations Support Services;

34. Takes note of the explanations given by the Administrator on the functions of the Office of United Nations Systems Support and Services, and in particular the information that the majority of functions in the office are related to United Nations Development Programme activities in providing support and a focal point for the resident coordinator system and that they will be responding to Executive Board decision 95/23;

35. Approves on a provisional basis the proposal relating to the Office of United Nations Systems Support and Services as contained in paragraphs 164-166 of document DP/1995/51;

36. Requests the Administrator to inform the Executive Board further, through the Advisory Committee on Administrative and Budgetary Questions, on the specific functions of the envisaged new posts in the Office of United Nations System Support and Services at its second regular session 1996 in order to enable the Board to review this issue;

37. Further requests in this connection the Administrator to report on the assistance rendered to the Secretary-General in ensuring system-wide coordination and policy coherence, taking into account relevant discussions by Member States during the fiftieth General Assembly;

38. Supports in this connection the amalgamation of the Humanitarian Programme and of security-related functions with the Office of United Nations System Support and Services while maintaining their financing from the budget for core activities, with the aim of maximizing the effectiveness of the support being provided to the resident coordinator function;

39. Requests the Administrator to review in the context of future biennial budget presentations the estimated workload related to support to the operational activities of the United Nations;

40. Takes note of the Administrator's intention to provide a comprehensive review of the programme development activities in the field and developments support services in the context of the 1998-1999 budget proposals;

41. Takes note of the downsizing proposed by the Administrator in respect of the Inter-Agency Procurement Services Office and the intention to increase the level of self-financing activities of the Office and also takes note of the revised grade structure of the Office;

42. Approves in this connection and on a provisional basis subject to the outcome of its review during the first annual session 1996 of the procurement

services being provided by the Inter-Agency Procurement Services Office, the upgrading of the post of Director to the D-2 level and the transfer of the source of financing thereof to the extrabudgetary funds generated through the procurement services provided by the Office;

43. Takes note of the cost-savings that will occur as a result of decision 95/2 on the relocation of the United Nations Volunteers headquarters to Bonn, and urges the Administrator, in light of these savings, to increase programme activities involving the United Nations Volunteers;

44. Also takes note of the volume reduction proposal as a result of the overall streamlining of the United Nations Volunteers;

45. Requests the Administrator to review the staffing formula for adding supplementary United Nations Volunteers headquarters staff, and to report on this in the context of the next biennial budget (1998-1999);

C. Budget estimates for Funds

46. Approves the Administrator's budget and staffing proposals relating to the United Nations Capital Development Fund, the United Nations Development Fund for Women, and the United Nations Fund for Science and Technology for Development/ United Nations Revolving Fund for Natural Resources Exploration and the Office to Combat Desertification;

47. Requests the Administrator to submit a report to the Executive Board on steps taken to integrate the work of the Office to Combat Desertification into the core programme of the United Nations Development Programme in the light of Governing Council decision 93/33, and on steps taken to reflect this integration in the 1998-1999 biennial budget proposals for Programme resources;

D. Other items

48. Takes note of the report of the Administrator on the budgetary aspect, including staffing levels, of the role of the United Nations Development Programme as an implementing agent for the Global Environment Facility and the Montreal Protocol, in particular the self-financing nature of this involvement;

49. Takes note of the report of the Administrator on the pilot arrangements relating to reclassifications as contained in document DP/1995/51/Add.1 and as requested in paragraph 30 of Governing Council decision 93/35;

50. Requests the Administrator to provide a detailed report on this issue in the context of the revised budget presentation for the biennium 1996-1997;

51. Encourages the Administrator, in view of the number of separate reports, reviews and information requested by the Executive Board and in recognition of the possible implications on the capacity for the planning and management of the actual implementation of the 1996-1997 budget strategy, to consolidate and incorporate reporting requirements in the regular reports that deal with financial and budgetary matters.

52. Approves appropriations in the amount of $576,807,100 gross, to be allocated from the resources indicated below to finance the 1996-1997 biennial budget, and resolves that the income estimates in an amount of $38,000,000, shall be used to offset the gross appropriations, resulting in net appropriations of $538,807,100, as indicated below:

53. Authorizes the Administrator to redeploy, within the approved appropriation for United Nations Development Programme core activities, resources between the appropriation lines for headquarters and country offices up to a maximum of 5 per cent of the appropriation to which resources are redeployed.

United Nations Development Programme budget estimates for the biennium 1996-1997 for administrative services, programme support and development activities and the funds
(Thousands of United States dollars)

	APPROVES:	TAKES NOTE OF:	
	Gross/net appropriations	Estimated extra-budgetary income	Total gross/net estimates
I. RESOURCES OF UNDP			
A. UNDP core activities a/			
Headquarters b/	142 247.6	36 479.4	178,727.0
Country offices	233 723.0	45 267.5	278,990.5
Gross UNDP core activities	375,970.6	81,746.9	457,717.5
Estimated income	38 000.0	0.0	38,000.0
Net UNDP core activities	337,970.6	81,746.9	419,717.5
B. Programme support and development activities			
Programme development activities	30 512.5	0.0	30,512.5
Support to the operational activities of the United Nations	96 986.7	0.0	96,986.7
Project/programme implementation services			
DSS	7 223.4	0.0	7,223.4
IAPSO	4 562.6	3 911.4	8,474.0
UNV	32 769.5	2 999.7	35,769.2
National execution	3 832.3	0.0	3,832.3
Total project/programme implementation services	48,387.8	6,911.1	55,298.9
Programme support c/	2 300.0	0.0	2,300.0
Total programme support and development activities	178,187.0	6,911.1	185,098.1
C. Total resources of UNDP			
Gross resources	554,157.6	88,658.0	642,815.6
Estimated income	38,000.0	0.0	38,000.0
Net resources	516,157.6	88,658.0	604,815.6
II. RESOURCES OF FUNDS			
A. UNCDF	9 060.6	0.0	9,060.6
B. UNRFNRE and UNFSTD	1 130.1	324.8	1,454.9
C. UNSO	7 242.0	1 207.3	8,449.3
D. UNIFEM	5 216.8	310.1	5,526.9
Total	22,649.5	1,842.2	24,491.7
III. TOTAL UNDP APPROPRIATIONS			
Gross appropriations	576,807.1	90,500.2	667,307.3
Estimated income	38,000.0	0.0	38,000.0
Net UNDP appropriations	538,807.1	90,500.2	629,307.3

a/ The Administrator is authorized to redeploy within the approved appropriation for UNDP core activities, resources between appropriation lines for headquarters and country offices up to a maximum of 5 per cent to which resources are redeployed in accordance with paragraph 53 of Executive Board decision 95/28.

b/ Extrabudgetary income represents income from external sources, exclusive of reimbursements from non-core units; these are included in the appropriation estimates of the non-core units.

c/ Represents UNDP contribution to CGIAR and UNDP-UNSO/UNEP partnership.

15 September 1995

95/30. Harmonization of budget presentations

The Executive Board

1. Requests the Administrator of the United Nations Development Programme and the Executive Director of the United Nations Population Fund to provide the Board with draft appropriation decisions on the budgets prior to the Board's discussions on the budget;

2. Takes note of the continuous commitment of the Administrator and of the Executive Director to contribute to the harmonization of budget presentations in response to Board decision 94/30 of October 1994;

3. Requests the Administrator and the Executive Director to accelerate their efforts to contribute to the harmonization of budget presentation and to provide the following information to the Executive Board:

(a) At the second regular session 1996:

Oral progress report, including an identification of common features in the budgets of the United Nations Development Programme, the United Nations Population Fund and the United Nations Children's Fund, and an explanation of the areas that are not common in the budgets;

(b) At the annual session 1996:

Oral progress report on steps needed for further harmonization which, together with an account of the debate held on the issue during the annual session of the Board, will be reported on to the Economic and Social Council at its substantive session 1996.

(c) At the third regular session 1996:

Submission of initial proposals for action by the Executive Board, through the Advisory Committee on Administrative and Budgetary Questions;

4. Also requests the Administrator and the Executive Director to ensure that the proposals for harmonization and budget presentation further promote the provision of user-friendly and transparent budget documents and preparation procedures.

15 September 1995

153. The representative of the United Kingdom expressed his Government's full support for decision 95/30. He hoped the decision would enable more effective assessment of the budgets of United Nations funds and programmes. The Executive Board needed to review its own handling of budgets. While there seemed to be full commitment to harmonization, a consistent strategy of the Board for analysis of the budgets of funds and programmes was lacking. A number of issues were raised during the UNDP segment, and not during the UNFPA segment, although they were equally applicable. The Executive Board had not harmonized its consideration of budgets.

Procurement from developing countries (DP/1995/55)

154. The Assistant Administrator and Director, Bureau for Finance and Administration, introduced document DP/1995/55 on the efforts by the United Nations system towards promoting procurement of goods and services from developing countries. He reported that United Nations system-wide procurement from developing countries had continued to increase, reaching a level of $1.3 billion in 1994, or 35 per cent of total procurement volume, compared to 30 per cent in 1991. He indicated that the trend towards decentralization of procurement in the United Nations system, particularly by peace-keeping missions, had contributed to that result. He pointed out that the United Nations system, through the Inter-Agency Procurement Working Group (IAPWG) had actively promoted and expanded geographical distribution of United Nations contracts, particularly from developing countries.

155. With regard to procurement under UNDP funding, the Assistant Administrator noted the substantial increase of procurement from developing countries - from 35 per cent of total procurement to 59 per cent in 1994, reaching a volume of $134 million. He indicated that factors contributing to the growth included the increased delegation to UNDP country offices for procurement activities in support to national execution, as well as to field operations by UNOPS and United Nations specialized agencies. A statistical report on procurement was distributed to the members of the Executive Board.

156. The Assistant Administrator emphasized the very constructive cooperation that existed among the United Nations agencies, through IAPWG, to expand the geographical distribution and increase transparency in United Nations procurement while enhancing competitiveness. He also indicated that the activities of the Inter-Agency Procurement Service Office (IAPSO) had been catalytic in increasing the efforts of the United Nations system in that regard. Some important IAPSO activities included its network of national focal points in developing countries, which received information about business opportunities in the United Nations market; the development of a common vendor database; the standardization of equipment in common use; and the negotiation of best prices and delivery conditions.

157. The Assistant Administrator indicated that, following the recommendation of the United Nations Board of Auditors, UNDP had reviewed the activities of IAPSO and proposed to present a comprehensive report to the Executive Board at its first regular session 1996.

158. Several delegations expressed satisfaction at the increase in the volume of procurement from developing countries. Some delegations were concerned at the delays experienced by IAPSO in obtaining statistical information from other United Nations agencies and requested that more comprehensive statistics be submitted. In response, the Assistant Administrator recalled that yearly statistical information on procurement was regularly submitted to the Board at its annual session as part of the main programme record. He indicated that UNDP would consolidate the reporting on IAPSO activities, including procurement statistics, by submitting its report to the Executive Board at its third regular session 1996. Some delegations requested that such report include efforts made to promote procurement from underutilized major donor countries in addition to the existing reporting on procurement from developing countries.

159. The Executive Board adopted the following decision:

95/27. Procurement from developing countries

The Executive Board

1. Takes note of the report of the Administrator on procurement from developing countries (DP/1995/55), and of the measures taken and progress made by the United Nations system to increase procurement from developing countries and to expand the geographical distribution of contracts;

2. Encourages the Inter-Agency Procurement Services Office to continue to coordinate, through the Inter-Agency Procurement Working Group mechanism, efforts within the United Nations system to increase procurement from developing and underutilized major donor countries;

3. Recognizes that increased decentralization of procurement, inter alia, under the national execution of programmes, has significantly contributed to increasing procurement from developing countries;

4. Requests the Economic and Social Council to encourage the organizations and agencies of the United Nations system to cooperate with the Inter-Agency Procurement Services Office in improving the accuracy and timeliness of data provided for the annual reporting on procurement to the Executive Board and the Economic and Social Council;

5. Requests the Administrator to streamline the reporting on procurement in order to ensure clear distinction between activities aimed at promoting procurement from developing countries and those from underutilized major donors in accordance with Governing Council decision 93/38 of 18 June 1993 (paragraph 7) and organize relevant statistical data accordingly.

14 September 1995

V. UNDP: AGENCY SUPPORT COSTS

160. The Executive Board decided to postpone consideration of this item to the first regular session 1996.

VI. UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Revised budget estimates for the biennium 1994-1995 and budget estimates for the biennium 1996-1997

161. The Executive Director of the United Nations Office for Project Services (UNOPS) introduced his report on the revised budget estimates for the biennium 1994-1995 and budget estimates for the biennium 1996-1997

(DP/1995/60). He emphasized that UNOPS management was aware that Executive Board approval of the UNOPS budget could not be treated as an authorization to spend but rather as a financial frame within which UNOPS was required to match its expenditures to the revenue it produced from the provision of services. He noted that UNOPS had acted accordingly in 1994 by spending well below the level approved by the Executive Board, without which a deficit of nearly $5 million would have been incurred. He also stressed that the level of demand for UNOPS services was related to the rates clients were prepared to pay for them and noted that UNOPS administrative costs, at approximately 7.5 per cent of delivery, were among the lowest in the United Nations system.

162. Several delegations appreciated the responsiveness displayed by UNOPS in dealing with shortfalls in income projections and welcomed the financial management model that UNOPS had developed to monitor its income and administrative expenditures. Positive comments were also made by several delegations about the utilization of the newly introduced contract for appointments of limited duration (ALD). One representative expressed the view that the use of ALDs, while helpful to the Organization in coping with income fluctuations, did not facilitate long-term institution-building. Several delegations welcomed the proposed review of the UNOPS staffing table and said that they looked forward to seeing the report on its results.

163. Some delegations felt that the information presented regarding the 1996-1997 projections was not comprehensive enough to enable them to make a decision at that time. Further information was requested about the relationship between the UNOPS Asia office in Kuala Lumpur and UNOPS headquarters, as well as between the Asia office and UNDP country offices. Clarification was sought as to how Management Service Agreements were handled now that UNOPS was in existence. One delegation requested further information regarding staff travel.

164. In response to the request for more information, the Executive Director circulated a note providing an update on the acquired and projected portfolio, including the methodology used for the purpose. He noted that the targets for 1995 and 1996, based on existing project budgets and planned rephasing, were practically assured, while those for 1997 could be determined with more accuracy only in mid-1996. He also pointed out that the information was being made available to the Executive Board for the first time and mentioned that additional information would be contained in separate financial statements, thereby enhancing transparency. He acknowledged the concerns regarding the use of ALD contracts, but informed the Board that incentives consistent with the United Nations common system were being explored. He pointed out that the bulk of staff travel was undertaken in response to project monitoring requirements.

165. The Deputy Executive Director provided information regarding the Asia office in Kuala Lumpur by stating that the decision to establish the office had been taken in response to a critical mass of business which was perceived to be more efficiently handled by placing Professional staff closer to the action while reducing costs. He added that collaboration with the UNDP resident representatives, who continued to represent the United Nations Office for Project Services, had also become much closer. Regarding Management Service Agreements (MSAs), he clarified that there had been no significant changes in that they continued to be concluded between beneficiary countries and UNDP and were implemented by UNOPS.

166. The Executive Board adopted the following decision:

95/31. UNOPS: Revised budget estimates for the biennium 1994-1995 and budget estimates for the biennium 1996-1997

The Executive Board

1. Takes note of the report of the Advisory Committee on Administrative and Budgetary Questions (DP/1995/45);

2. Takes note of the report of the Executive Director on the revised budget estimates for the biennium 1994-1995 and budget estimates for the biennium 1996-1997 (DP/1995/60);

3. Approves the establishment ex post facto of three additional General Service posts, bringing the total to 244 established posts;

4. Requests that the Executive Director perform, in accordance with paragraph 18 of document DP/1995/60, a comprehensive review of existing posts to determine which posts are to be maintained or reallocated, and submit a report to the Executive Board in early 1996;

5. Approves the revised budget estimates for the 1994-1995 biennium in the amount of $58,439,000;

6. Approves the budget estimates of the Executive Director for the 1996-1997 biennium in the amount of $61,428,900;

7. Notes that the United Nations Development Programme and the United Nations Office for Project Services are currently reviewing the nature of and conditions under which central administrative services are made available to the United Nations Office for Project Services by the United Nations Development Programme, concurs with the views expressed by the Advisory Committee on Budgetary Questions in paragraph 13 of its report (DP/1995/45), and instructs the Executive Director to report on arrangements concluded for the provision of such services during the 1996-1997 biennium in early 1996;

8. Takes note of the financial management model developed by the United Nations Office for Project Services for purposes of establishing and monitoring its administrative budget, and requests the Executive Director to report, through the Management Coordination Committee, any significant changes in income projections;

9. Decides to consider the issue of the future direction of the United Nations Office for Project Services at its second regular session 1996.

15 September 1995

VII. UNITED NATIONS DEVELOPMENT FUND FOR WOMEN

167. The Administrator informed the Executive Board that the financial situation of UNIFEM had improved as a result of measures previously agreed upon by the Board. UNIFEM would not experience a deficit in 1995. One-time increases in the contributions of several Governments reflected renewed confidence in the Fund. Significant progress had been made with regard to improved financial management, with the mechanisms and procedures put in place being monitored both by the UNIFEM Director and by the Administrator. Measures had been agreed upon with the Assistant Administrator and Director of the Bureau for Finance and Administration to ensure enhanced reporting and oversight of the financial situation of UNIFEM. In pursuance of paragraph 13 of Executive Board decision 95/18, the Administrator had informed the members of the Board by his letter of 26 July 1995 of the measures taken with respect to the responsibility and accountability of concerned officials. All UNDP and UNIFEM staff would be informed of those measures.

168. The Administrator underscored his commitment to strengthening accountability and oversight in all operations under his responsibility and announced that he had initiated an in-depth review of UNDP policies and practices with respect to both the financial and managerial accountability of staff. He would also ensure that greater attention was paid by everyone in the Organization to the importance of accountability. Strong messages would be sent throughout UNDP and UNDP-administered funds of the importance to maintain management standards of the highest level. Furthermore, consistent with UNDP regulations, in cases of mismanagement, the responsibility and accountability of any concerned officials would be reviewed, determined and sanctions commensurate with the circumstances would be applied.

169. The Administrator also called on delegations to give UNIFEM the financial leverage to undertake its work, particularly following the Fourth World Conference on Women.

170. The Deputy Director of UNIFEM introduced the progress report and terms of reference for an external evaluation of UNIFEM (DP/1995/61). She informed the Executive Board that UNIFEM had begun to prepare reports on income and expenditure (both actual and projected), resource availability, and outstanding advances. All project budgets had been rephased to provide an accurate picture of expected disbursements in 1995 and in future years. Total income for 1995 was now estimated at $17.4 million. The increase from a previous estimate of general resources income of $11.6 million was due in large part to one-time increases in the contributions of the Governments of India, Japan, the Netherlands, New Zealand, and Switzerland, for which gratitude was expressed.

171. Revised terms of reference for the evaluation, contained in a conference room paper, were distributed to the Executive Board. The revisions drew on the comments of the Board at an informal consultation held on 28 August. The evaluation would provide for a thorough review of UNIFEM programme achievements, efficiency, impact and sustainability, and would make concrete recommendations for the future strategies, programmes, structure and operational tools of the Fund. UNIFEM welcomed the programme evaluation as a complement to the work already undertaken in financial management. The conclusions of the evaluation, together with the Platform of Action of the

Fourth World Conference on Women, would provide valuable guidance in shaping the Fund's programme in the months ahead. UNIFEM looked forward to working closely with the Board during the evaluation.

172. Many delegations expressed their support for the progress of UNIFEM in its financial recovery and thanked the Administrator and the Deputy Director of UNIFEM for their statements. In particular, the remarks of the Administrator regarding accountability of staff were welcomed. Most speakers stated that they had confidence in UNIFEM to fulfil its mandate and to undertake new responsibilities following the Fourth World Conference on Women. Several delegations announced that recent contributions had been made to UNIFEM or that their Governments would increase their contributions to the Fund in the near future.

173. While general support was expressed for the revised proposed terms of reference for an external evaluation, some issues were raised. They included the need for geographical representation and appropriate high-level skills among the members of the evaluation team and the need for the evaluation to be constructive and forward-looking. One delegation suggested that the evaluation include a case study of one country. Several delegations emphasized the importance of the full involvement of the Executive Board in providing policy guidance for the evaluation. Some delegations announced that their Governments would be willing to contribute to the evaluation exercise.

174. The Executive Board adopted the following decision:

95/32. Matters relating to the accountability and responsibility and external evaluation of the United Nations Development Fund for Women

I.

Accountability and responsibility

The Executive Board

1. Welcomes the efforts made to improve the financial situation of the United Nations Development Fund for Women;

2. Takes note of the statements made in the Board in response to the information received from the Administrator on responsibility and accountability issues related to the United Nations Development Fund for Women and the United Nations Development Programme;

3. Requests the Administrator to present, at its second regular session 1996, a comprehensive report on United Nations Development Programme policies and practices with respect to the accountability of staff in the management and use of programme and administrative resources, including additional measures taken to strengthen accountability and responsibility;

4. Also requests the Administrator to include proposals for appropriate regular reporting to the Board on the application of these policies and practices;

II.

Independent external evaluation

The Executive Board

1. Decides that the external evaluation of the United Nations Development Fund for Women shall be based on the terms of reference contained in the annex to the present decision and that the report of the independent evaluator shall be submitted directly to the Board for consideration at its second regular session 1996;

2. Decides that the Administrator, in close collaboration with the United Nations Office for Project Services, as appropriate, shall select consultants on a competitive basis to carry out the evaluation while keeping the Board informed of the selection process;

3. Also decides that the United Nations Development Programme should establish a trust fund for the financing of the evaluation of the United Nations Development Fund for Women;

4. Urges all members of the United Nations Development Programme to make contributions to the cost of the evaluation, and welcomes the pledges already made by a number of Member States;

15 September 1995

Annex

EXTERNAL EVALUATION OF UNIFEM: TERMS OF REFERENCE

1. In its decision 95/10 of 7 April 1995, the Executive Board called for an external evaluation of UNIFEM. At an informal meeting held during its annual session 1995, draft terms of reference for the external evaluation of UNIFEM were made available, and the Board requested that further information on the external evaluation be submitted at the third regular session 1995. In accordance with that request, the proposed scope of the evaluation, methodology, composition of the evaluation team, and a timetable are provided below.

A. Background

2. Paragraph 9 of the annex to General Assembly resolution 39/125 states that "The resources of the Fund shall be used mainly within two priority areas: first, to serve as a catalyst, with the goal of ensuring the appropriate involvement of women in mainstream development activities, as often as possible at the pre-investment stages; secondly, to support innovative and experimental activities benefiting women in line with national and regional priorities". Through this mandate, the UNIFEM thrust is:

(a) To advocate for women's concerns and to catalyse other agencies in the United Nations system, development organizations and Governments to address these concerns; and

(b) To support innovative activities, with women's full participation, and, by demonstrating their effectiveness, to attract mainstream agencies to adopt and integrate them in their development programmes.

3. During its second regular session 1995, the Executive Board of UNDP and UNFPA was informed of the financial situation facing UNIFEM. As a result of the ensuing deliberations, the Board, in its decision 95/10, decided to consider the terms of reference and means of financing for an external evaluation of UNIFEM. Given the primary emphasis of both the internal and external audits on the financial situation, it is proposed that the external evaluation focus on programmes, impact and future directions of the Fund. Consequently, the review would cover programmes and project initiatives; the advocacy role of UNIFEM and its impact; and management policies and systems. In addition, the evaluation would, wherever deemed appropriate, also appraise financial aspects and issues as related to programme management and implementation. Field staff as well as key partners and beneficiaries would be consulted in addition to headquarters staff.

B. Objectives

4. Taking into account relevant Resolutions and decisions adopted by the General Assembly, the Economic and Social Council, the Executive Board and the Consultative Committee, it is proposed that the evaluation undertake the following:

(a) Assess and identify the overall past and present achievements, efficiency, impact and sustainability of programme activities at headquarters and in the field in fulfilling the Fund's mandate;

(b) Assess institutional capacity and structure of the Fund vis-à-vis resource utilization, programme delivery, management and control at the headquarters and field levels;

(c) Assess the effectiveness of the Fund's work with its collaborators both in the field and at headquarters;

(d) Make concrete recommendations based on the findings of the evaluation, past experience and in light of global strategies for action agreed at the Fourth World Conference on Women on UNIFEM future strategies, programmes, structure and operational tools in the interests of effectiveness, development impact, sustainability and accountability.

C. Scope of the evaluation

5. It is proposed that the evaluation focus on programming aspects and issues. In light of recent changes in UNIFEM policies and systems for management and financial control, attention should also be given to the adequacy of these changes as related to programme management, implementation and monitoring.

6. The areas of concern will therefore include: (a) programme strategies; (b) programme and project performance; (c) advocacy; and (d) management, finance and administration. Specific issues to be addressed under each of these categories are as follows:

1. Programme strategies

7. The key issue areas for the assessment of programme strategies are:

(a) Extent to which UNIFEM strategies succeed in fulfilling the Fund's mandate and in meeting the needs and interests of women in developing countries;

(b) Ability of UNIFEM to incorporate in its strategies crucial issues confronting women;

(c) Balance between resources available to UNIFEM (including financial, technical expertise and management) and the scale of its activities.

2. Programme performance

8. Given the scope of UNIFEM work, particularly in terms of meeting women's practical and strategic needs and in terms of empowering women, the key issue areas for assessment of programme performance are:

(a) Quality of programme and project design and implementation, including monitoring and financial control mechanisms, constraints, and technical backstopping;

(b) Extent and effectiveness of UNIFEM efforts to move from a project to a programme approach;

(c) Extent to which UNIFEM support to women's groups, networks and coalitions has strengthened the capacity of these groups to contribute to women's empowerment and gender-sensitive development;

(d) Extent to which UNIFEM collaboration with other United Nations agencies has strengthened the ability of both to work towards women's empowerment;

(e) Capacity of the non-governmental organizations implementing UNIFEM programmes to comply with reporting requirements;

(f) Effectiveness of initiatives aimed at mainstreaming gender concerns, particularly those meant to bring about gender-sensitive development planning;

(g) Sustainability of UNIFEM interventions in the context of constraints and problems that particularly affect women in developing countries and women living in poverty and in differing cultural environments;

(h) Availability of technical and sectoral expertise in terms of programme development and implementation.

3. Advocacy

9. Given the UNIFEM mandate to advocate for the participation of women in development at global, regional and national levels, the key issue areas for assessment are:

(a) Extent to which UNIFEM has been able to utilize its experiences to advocate for increased integration of gender issues within the United Nations system agencies and in other development organizations; as well as at international conferences;

(b) Impact of the brokering role of UNIFEM in terms of assisting women's groups to influence national policies and programmes;

(c) Catalytic impact of advocacy for women's and gender issues in the context of resource limitations and time constraints;

(d) Adequacy of advocacy tools used, including impact of documentation and dissemination of experiences in working with women.

4. Management, finance and administration

10. The key issue areas for the assessment of management, finance and administration are:

(a) Effectiveness of procedures and adequacy of staff skills and training for reporting, control, financial and administrative systems for programme management;

(b) UNIFEM organizational structure vis-à-vis clear and direct lines of authority, responsibility, communication, and accountability among staff.

D. Methodology

11. It is proposed that the evaluation of UNIFEM take place in three phases. The first phase will focus on analysis of key documents and preliminary meetings, with site visits and interviews to take place in the second phase. The third phase will entail a final round of interviews with

headquarters staff and finalization of the evaluation report. Where appropriate, the team leader will consult with members of the Executive Board of UNDP and UNFPA.

Phase 1: New York

12. The first phase will consist of the following:

(a) Introductory meetings. Briefing on UNIFEM organizational matters, including historical overview, mandate and mission; overview of operational matters, including management and administration; programme development and management systems. These meetings will include key UNDP senior management staff;

(b) Document review. Review of key documents, including policy, programme and project-related documents, an overview of programmes and project activities by region, documents concerning management, administration, control and staff skills, key evaluations and publications that demonstrate UNIFEM experience in working with women; Platform of Action from the Fourth World Conference on Women; and any other relevant documents;

(c) Sample identification. Criteria for selection of sample to be developed after review of documents; countries/projects to be visited, including key people to be interviewed and questionnaire administered to others that cannot be visited; programme sample representing range of key sectors in which UNIFEM works, including advocacy initiatives; management sample, including policies and systems;

(d) Interviews. Initial round of interviews with select number of staff at various levels in the organization, both individually and in groups, as appropriate.

Phase 2: Field

13. The second phase will consist of the following:

(a) Site visits. For countries to be determined during phase 1. Visit actual project sites to meet participants as well as staff from implementing agencies. Interview sample to include UNIFEM advisors and staff from collaborating agencies, including UNDP/other United Nations agencies, national ministries, non-governmental organizations and bilateral programmes;

(b) Report to be drafted, and checked for factual accuracy.

Phase 3: New York

14. The third phase will consist of:

(a) Interviews with staff from UNIFEM and UNDP, the United Nations Population Fund, the United Nations Children's Fund and any other agencies in New York;

(b) Finalization and submission of report directly to the Executive Board.

E. Outputs

15. In preparing the report, the evaluation team should be guided by the objectives as outlined in paragraph 4 of the present terms of reference. The report should include assessments of UNIFEM achievements and activities together with specific operational recommendations with a view to enabling the Executive Board to make future decisions within its mandate on necessary changes in UNIFEM strategies, programmes, structure, operational tools and/or financial systems.

F. Composition of the evaluation team

16. The evaluation team should be well acquainted with gender issues, including development economics and the economic and political empowerment of women. The team should be familiar with development agencies, including their managerial and financial aspects, and have knowledge of the United Nations system. The team will also need skills in evaluation methodology and organizational development. It would be strongly preferable for the evaluation team to be composed of members from donor and recipient countries. The gender composition of the team will be important.

G. Timetable

17. In order to ensure that UNIFEM is able to act on the critical recommendations emanating from the Fourth World Conference on Women, it is proposed that the external evaluation should commence as soon as possible and no later than 15 November 1995. By this date, it will be possible to complete preparatory work and establish the management process for the evaluation. Given the expected duration of the evaluation, it is anticipated that the final report of the external evaluation will be available by the end of February 1996.

18. Given the timing of the evaluation, the consultants will have access to all key documentation arising from the Fourth World Conference on Women so that these can be borne in mind throughout the evaluation, and especially when making recommendations for the future of UNIFEM.

19. The following implementation timetable is proposed:

New York:

Phase 1:	Briefing, review of documents	2 weeks
	interviews with key staff	1 week

Field:

Phase 2:	Interviews with beneficiaries and partners, and UNIFEM regional programme advisors	6 weeks

New York:

Phase 3:	Remainder of interviews with staff and finalization of report	2 weeks

UNFPA SEGMENT

175. As requested by the Executive Board, the Executive Director of UNFPA provided the Board with a brief update on important events that had taken place since the Board had last met in June 1995. These included, among others: (a) the Global Meeting of UNFPA field and headquarters staff, which was held in Rye, New York, immediately following the annual session of the Executive Board to discuss the future directions and programme priorities of UNFPA in light of the recent deliberations and decisions of the Executive Board; (b) the work of the Inter-Agency Task Force on the Implementation of the ICPD Programme of Action, which had met for the second time on 25 July to review progress made on the follow-up to the International Conference on Population and Development (ICPD); (c) the outcome of the recent session of the Economic and Social Council, most important of which for UNFPA was the Council's endorsement of the recommendation contained in Executive Board decision 95/20 to change the designation of UNFPA resident Country Directors to UNFPA Representatives and the Council's recommendation that the General Assembly also endorse the change in designation; and (d) the progress made in the negotiations at the Fourth World Conference on Women, in particular concerning the language and agreements that had been reached at the ICPD in Cairo.

VIII. UNFPA: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

176. For consideration of agenda item 8, the Executive Board had before it the annual financial review, 1994 (DP/1995/41); the biennial budget estimates for administrative and programme support services for the 1996-1997 biennium (DP/1995/42); and the report of the Advisory Committee on Administrative and Budgetary Questions (DP/1995/43).

177. The Executive Director introduced the three documents referring to her written statement circulated on 12 September on agenda item 8. Before elaborating on the budget proposals for administrative and programme support services (APSS), the Executive Director reviewed briefly the financial status of UNFPA and its income prospects. She indicated that the year 1994 had been a very successful one: UNFPA regular resource income had amounted to $265.3 million, an increase of almost $46 million, or 21 per cent, compared to the 1993 income of $219.6 million. Programme expenditures had increased by 45 per cent, from $158 million in 1993 to $229 million in 1994, and expenditures from multi-bilateral funds had increased by 16 per cent, from $9.3 million to $10.8 million. However, notwithstanding those increases, which were substantial compared to 1993, the Fund's net APSS costs of $45 million remained at approximately the same level as those in 1993. The level of APSS costs was attributed to steps taken during the current biennium to keep administrative expenditure at a minimum, as well as the devaluation of currencies in countries in which UNFPA had significant operations. As a result, UNFPA expected to realize savings of $10 million, or about 10 per cent, in the 1994-1995 appropriation. The Executive Director attributed the Fund's increase in programme delivery to the implementation of specific management measures, including further decentralization, streamlining

of programming procedures, revision of guidelines concerning, inter alia, non-governmental organizations, and the implementation of a more realistic programme planning approach.

178. With regard to the 1996-1997 APSS budget proposal, the Executive Director stressed the Fund's commitment to strengthening in particular the performance of its country offices, mainly through re-assignment and re-training of existing staff, in order to implement successfully the Programme of Action adopted by the ICPD. She stated that the proposed APSS biennial budget amounted to $127.4 million (net), an increase of 13 per cent compared to the 1994-1995 appropriation of $113 million. She noted that the projected income of $702 million, including $30 million in multi-bilateral funding, reflected preliminary indications from major donor countries signifying a renewed enthusiasm for the funding of population activities as a result of the ICPD.

179. The Executive Director addressed the concerns raised by ACABQ regarding the size of the proposed headquarters budget. In that connection, she emphasized that approximately 80 per cent of the proposed increase in the APSS budget would be used to strengthen the country offices and to establish new offices in Albania, Romania and Uzbekistan. The budget proposal included provision for 74 additional posts to equip further the country offices with the minimum standard of programme monitoring and financial accounting expertise. She indicated that the proposed budget contained no real increase in the headquarters budget while the ratio of headquarters to field staff would reach 1 to 3, signifying the importance UNFPA attached to its operations at the country level.

180. With reference to the proposed training budget of $2.5 million, the Executive Director emphasized that $2 million was earmarked for UNFPA country offices to reinforce efforts to decentralize approval authority further to country offices; to develop the staff skills needed to help accelerate national execution; and to re-orient staffing profiles of existing staff in the core areas of the UNFPA programme. She also addressed the concerns raised by ACABQ regarding the budget for consultancies. She stated that the proposed expertise was required to review and streamline the Fund's administrative, operational and financial procedures, particularly with regard to the efficient application in UNFPA of personnel, procurement and financial modules of the Integrated Management Information Systems (IMIS), a system that was being implemented by both the United Nations and UNDP.

181. In concluding her remarks, the Executive Director drew attention to the ratio of administrative to programme expenditure. She stated that the share of the administrative budget to income in the proposed 1996-1997 budget was 4.4 per cent, which was a considerable reduction from the 6.1 per cent in the 1992-1993 biennium. She noted that the share of the administrative budget within the overall APSS budget would decrease from 28.5 per cent in 1992-1993 to 24 per cent in 1996-1997 and, further, that the share of the APSS budget to total income would decline from 21.3 per cent in 1992-1993 to 18.1 per cent in 1996-1997.

Summary of discussions

182. Many delegations congratulated the Executive Director for the quality and format of the financial and budget documents. They also expressed

gratitude for the clarity of the Executive Director's introductory statement on the documents and welcomed the framework that the proposals provided for implementing the objectives adopted by the ICPD. Many delegations were pleased that the proposed budget was designed to strengthen UNFPA country offices further.

183. Regarding the annual financial review (DP/1995/41), many delegations welcomed the increase in programme expenditures in 1994, the comparatively low level of APSS expenditures, the resulting reduction of the funds brought forward to 1995, and the continued strengthening of national execution. The delegations hoped that those trends would continue throughout the coming years. Some delegations expressed concern that although the UNFPA income had increased in 1994, the number of donors had declined. Others welcomed the declining share of the APSS expenditures to income in 1994 and requested UNFPA to make all efforts to ensure that the trend continued in the following biennium.

184. Several delegations stressed the need to accelerate the process of harmonizing the budget methodology and presentation of UNICEF, UNDP and UNFPA. It was observed that a standard budget presentation would have facilitated a speedy and efficient review of the budgets of both UNDP and UNFPA. Some delegations expressed the need to decide on specific deadlines for the harmonization of budgets.

185. Several delegations also expressed concern about the income projections underlying the budget proposal, in particular, the assumption of one major donor's annual contribution of $55 million throughout the next biennium and the proposed 8 per cent increase in the remaining contributions. Others reiterated the concern of ACABQ that UNFPA might establish an administrative infrastructure that might be difficult to maintain if, in future years, the projected income level was not attained.

186. A number of delegations questioned the methodology of presenting the APSS budget expenditures in relation to income. They supported the recommendation of ACABQ that the budget should have been presented in relation to planned expenditure. One representative also suggested that the current policy of maintaining a relatively high operational reserve should be reviewed with a view to freeing resources for programme expenditures.

187. Some delegations questioned the high appropriation for the headquarters budget and requested clarification as to whether headquarters expenditures could be further reduced and additional headquarters staff could be deployed to the field. Some delegations also requested clarification concerning the proposed distribution of regional appropriations, in particular with reference to Africa, while indicating that the appropriations for individual countries should be based on the needs of such countries.

188. Concerning the details of the budget proposal, many delegations welcomed the proposed training budget. Some stressed the need for audit coverage, in particular for the countries with total project approval authority. Other delegations requested clarification concerning the deployment of Country Directors at the D-1 level and the criteria for opening new offices, including those in Europe and Central Asia. Others expressed support for the proposed upgrading of headquarters posts and for the additional field staff. It was also suggested that the Fund should explore

all possibilities of deploying headquarters staff to the country offices and to reconsider the request for additional field staff.

189. Some delegations stressed the importance of the publications programme, particularly for the Fund's increased advocacy role. It was also suggested that a review of the publications programme be submitted to the Executive Board at a future session.

190. Concerning the proposal to establish a separate UNFPA Executive Board, some delegations pointed out that the benefits of reviewing UNFPA and UNDP together would outweigh the costs of establishing such a Board. Other delegations were in favor of the creation of a separate UNFPA Executive Board.

191. In regard to the recommendation of ACABQ that technical support services (TSS) expenditures should be incorporated into the APSS budget document, some made the point that because the country support teams were solely concerned with project implementation, they should not be part of the APSS budget. However, information on the cost of UNFPA staff in the country support teams should be made available to the Executive Board at the time of future presentations on the APSS budget.

Response of the Administration

192. Regarding the concerns raised on the income projection underlying the budget proposal, the Executive Director pointed out that, in the past, income had grown at a rate of above 8 per cent. She mentioned that the discussions concerning the contribution from a major donor were encouraging and that the current Administration of that country was very supportive of the work of UNFPA. She also pointed out that there were positive indications of possible contributions from new donors, such as the European Union. Current donors, such as the Republic of Korea and Spain, had already increased their contributions, and the annual estimate of $15 million for multi-bilateral resources was very conservative. The Fund was also contacting some former Arab donors to encourage them to resume their contribution. Further, the Fund was in discussion with the private sector and foundations, such as the Rockefeller Foundation, the MacArthur Foundation, and the Ford Foundation, for UNFPA project funding. Those developments and recent indications for the pledging conference clearly indicated that the Fund's financial projection, which was based on the recently approved work plan, was fundamentally sound. Nevertheless, she acknowledged the expressions of concern and assured the Executive Board members that UNFPA would ensure that the size of the APSS budget would be maintained within reasonable levels, as UNFPA had done successfully in the recent past.

193. Concerning the request for increased audit coverage, the Executive Director stressed that the Fund expected that 56 offices would be audited in 1995, a substantial increase over the six offices audited in 1993. She further emphasized that management and financial oversight were given the highest priority in view of increased decentralization within the Fund.

194. The Deputy Executive Director (Policy and Administration) thanked delegations for their positive comments. In regard to queries about the relatively low level of 1994 APSS expenditures, he pointed out that it had been achieved by the postponement of recruitment decisions; reductions

of consultants; limited use of overtime and temporary service; and reduction in other operational expenses. The Executive Director added that there was in fact zero growth for the headquarters budget for the last two bienniums.

195. The Deputy Executive Director indicated that UNFPA was committed to completing the process of harmonization of budgets as soon as was possible. Concerning the criteria for establishing new offices, he explained that such a decision would depend on the priority status of the country, the degree of commitment from the Government, the local infrastructure to implement the programme, the technical backstopping necessary, and the long-term need for assistance. Responding to the queries on the level of the operational reserve, he noted that the current requirement to maintain the reserve at a level of 20 per cent of regular income had been mandated by the Governing Council.

196. Concerning queries on the UNFPA publications programme, the Deputy Executive Director pointed out that some publications were also distributed in non-United Nations languages. The latest State of World Population report, for example, was translated into some 22 languages. He also clarified that UNFPA was not undertaking any original research but was utilizing the findings of research activities conducted by other entities such as the United Nations Population Division and that the Fund was concentrating its activities in which it had a comparative advantage.

197. Concerning the request from many delegations to present the budget costs in relation to planned expenditures and not in relation to income, as was the current practice, the Director, Division for Finance, Personnel and Administration (DFPA), pointed out that the methodology employed in the budget had been recommended by the External Auditors in their report on the 1992-1993 biennium. She further clarified that the expenditures might be distorted because such a ratio was influenced by funds carried forward or by deficits. For example, in 1993 the share of the APSS expenditures to overall expenditures amounted to 22.6 per cent while the same ratio was only 16.2 per cent in 1994. The high share was a result of underexpenditure in 1993 while the comparatively low share in 1994 was a direct consequence of overexpenditure in 1994.

198. In regard to the concerns raised on the share of the headquarters budget in relation to the total budget, the Director, DFPA, emphasized that, historically, the share of headquarters expenditures had been declining over the last several bienniums, from 63.7 per cent in 1988 to 51.8 per cent in 1994. She further pointed out that the operating costs in New York were higher than those of most other duty stations. Consequently, a better gauge for measuring the relative importance given to headquarters vis-à-vis the field would be the respective staffing levels of each. Thus, the ratio of headquarters to field staff in the proposed budget (1 to 3) clearly showed the emphasis on the field. In that connection, she referred to the handout made available to the Board members outlining the staffing trends from 1988 to 1997, clearly showing the relatively decreasing staffing levels at headquarters, from 35.4 per cent to 26.6 per cent during this 10-year period. While UNFPA was very conscious of the need to keep administrative expenditures at a minimum, particularly at headquarters, the Director, DFPA, pointed out that a critical mass of staffing levels was required to maintain the necessary capabilities to implement the UNFPA programme.

199. Concerning the deployment of Country Directors at the D-1 level, the Director, DFPA, stated that such a deployment would be made only in accordance with Executive Board decision 93/28, in which the Board outlined clearly the criteria for D-1-level postings. In response to a request for clarification, she indicated that the cost of upgrading six Country Director posts to the D-1 level was approximately $28,800.

200. The Executive Board adopted the following decision:

95/35. UNFPA: Financial, budgetary and administrative matters

The Executive Board

1. Takes note of the biennial budget estimates for the administrative and programme support services for the biennium 1996-1997 (DP/1995/42), the 1994 annual financial review (DP/1995/41) and the report of the Advisory Committee on Administrative and Budgetary Questions (DP/1995/43), as well as of the comments made thereon by the Executive Board;

2. Notes that the Executive Director's proposals contained in document DP/1995/42 are supportive of the programme priorities and future directions of the United Nations Population Fund in light of the International Conference on Population and Development, as endorsed in decision 95/15, and with the work plan for 1996-1999 as approved in decision 95/16, while stressing the need to continue to ensure that priority is given to meeting the needs of Africa;

3. Takes note of the concerns expressed in paragraphs 4-6 of the report of the Advisory Committee on Administrative and Budgetary Questions with respect to the accuracy of the income projections and, in this connection, requests the Executive Director to keep them under continuous review;

4. Requests the Executive Director to continue to make further efforts to minimize administrative expenditure, particularly at headquarters, and:

(a) To report to the Board at its first regular session 1996 on possible measures to increase the total volume reduction in expenditure at headquarters and Geneva from 1.2 per cent to 2.0 per cent;

(b) To report to the Board on the steps taken to reduce administrative expenditure in the event that projected levels of income are not realized;

5. Stresses in this connection that, before presenting proposals for new posts in future biennia, the United Nations Population Fund should make every effort to adapt to changing circumstances by reallocating existing posts, bearing in mind the importance of priority countries;

6. Requests the Executive Director to ensure that clear information concerning the costs of the United Nations Population Fund staff of the regional country support teams is made available to the Board at the same time as the presentation of future administrative and programme support services budgets;

7. Requests further the Executive Director to report to the Board at its second regular session of 1996 on the effectiveness of its publications programme in accordance with paragraph 31 of the report of the Advisory

Committee on Administrative and Budgetary Questions, taking into account the need for publications to be available in a range of languages;

8. Requests also the Executive Director to conduct an evaluation of training activities of the United Nations Population Fund and to report thereon to the Executive Board, through the Advisory Committee on Administrative and Budgetary Questions, no later than 1997;

9. Approves the appropriations in the amount of $137,346,000 gross to be allocated from the resources indicated below to finance the 1996-1997 biennial budget for administrative and programme support services, subject to the observations contained in paragraphs 3 and 4 above, and agrees that the overhead credits available to the Fund in the estimated amount of $9,000,000 and the miscellaneous income from trust funds for support services in the amount of $1,000,000 shall be used to offset the gross appropriations, resulting in net appropriations of $127,346,000 indicated below:

1996-1997 biennial budget

Programme	Appropriations
Executive direction and management	4,262,000
Administration and information and external relations services	36,287,000
Programme planning, appraisal and monitoring	29,382,400
Field programme support	67,414,600
Total gross appropriations	137,346,000
Less: Estimated credits and income	10,000,000
Total net appropriations	127,346,000

10. Authorizes the Executive Director to transfer credits between the programmes outlined in paragraph 9 above, within reasonable limits, with the concurrence of the Advisory Committee on Administrative and Budgetary Questions for the 1996-1997 biennium;

11. Approves:

(a) The reinstatement of the level of the post of Chief of the Division of Arab States and Europe to the D-2 level;

(b) The reclassification of the post of the Associate Planning Officer in the Planning and Coordination Division from the P-2 to the P-3 level;

(c) The establishment of new country offices in Albania, Romania and Uzbekistan;

(d) The creation of six Country Director posts, one each in Albania, Benin, El Salvador, Romania, South Africa and Uzbekistan;

(e) The establishment of two International Programme Officers at the P-4 level-one in Bolivia and one in Madagascar.

(f) The establishment of 74 new local posts at the country level (including 18 in new offices in Albania, Romania, South Africa and Uzbekistan),

consisting of 17 National Programme Officer posts (9 in Africa; 3 in Arab States and Europe, including 1 in the West Bank and Gaza; 4 in Asia and the Pacific; and 1 in Latin America and the Caribbean), and 57 General Service posts (34 in Africa, 9 in Asia and the Pacific, 6 in Latin America and the Caribbean and 8 in Arab States and Europe) on the understanding that these posts will only be filled to the extent that income of the United Nations Population Fund is able to support them;

(g) The upgrading of six Country Director positions to the D-1 level subject to the following criteria:

(i) All D-1 level posts will be in countries which either have one of the 30 largest country programmes or in countries where exceptional circumstances justify a D-1 level appointment;

(ii) Account will be taken of the number of staff members in the office, the degree of national execution, the complexity of the population programme in specific countries and the need to be consistent with paragraphs 38 and 39 of General Assembly resolution 47/199 of 22 December 1992;

12. Decides that as a matter of policy the number of Country Directors at the D1 level shall not exceed in future, 25 per cent of the total number of Country Directors;

13. Endorses the opening of a country office in South Africa.

15 September 1995

IX. UNFPA: REPORT ON THE IMPLEMENTATION OF UNFPA SUCCESSOR SUPPORT-COST ARRANGEMENTS

201. The UNFPA Deputy Executive Director (Programme) introduced the report of the Executive Director on the UNFPA technical support services (TSS) arrangements (DP/1995/40). He noted that the TSS arrangements had replaced agency support costs as well as the system of regional and interregional advisers that had been part of the UNFPA intercountry programme. He summarized the findings of an independent evaluation mission conducted in 1994 to assess the TSS arrangements, as requested by the Governing Council in its decision 91/37. He indicated that the evaluation mission had concluded that the TSS arrangements had considerably improved the delivery of technical cooperation to developing countries in terms of both quality and timeliness.

202. In response to the findings of the evaluation mission, the Deputy Executive Director (Programme) indicated that UNFPA would seek to improve the use of national expertise and to define better the role of TSS specialists at agency headquarters. He further explained that establishing a fourth team in central Africa would isolate some countries from the experiences of more advanced countries in the region; that it was too early to develop satellite

TSS units; that it was not cost-effective to relocate the Country Support Team (CST) in Santiago, Chile, to a site in Central America; that the CST and the Country Director office for the South Pacific had complementary but different responsibilities and could not therefore be merged; and that it was still too early to consider redeploying the coordinator posts at United Nations regional commissions and World Health Organization (WHO) regional offices to the pool of CST advisers. He also indicated that UNFPA did not agree with the ACABQ recommendation to include in the administrative and programme support services budget costs of the UNFPA staff in the CST offices, as the total TSS arrangements were programme-related and had to be flexible enough to change over time, both in terms of identifying the appropriate executing agency and in terms of securing the appropriate technical competence.

203. Numerous delegations welcomed the Executive Director's report on the TSS arrangements and congratulated the Deputy Executive Director (Programme) for his clear introduction of document DP/1995/40. Several delegations noted with satisfaction the successful implementation of the TSS arrangements and considered the arrangements an improvement over the previous system. Many also noted that the TSS system had provided timely and effective technical backstopping services to UNFPA-supported programmes. A number of delegations welcomed UNFPA efforts to reflect in the TSS arrangements the new programme areas endorsed by the Executive Board in its decision 95/15.

204. Many delegations expressed satisfaction with the multidisciplinary nature of the TSS system, which had resulted in a holistic approach to population issues. Several emphasized the importance of the TSS system in further promoting national capacity-building through, inter alia, greater use of national expertise and the provision of technical support at strategic phases of UNFPA-supported country programmes. The Deputy Executive Director (Programme) fully agreed with the comments on national capacity-building. He noted that national expertise was the first layer of technical services to be provided in the context of the TSS system and the Fund had therefore instructed its Country Directors to use national experts, whenever available. Should national expertise not be available, the Country Directors could resort to advisory services provided by the CSTs. He also noted that specific instructions on national capacity-building would be further addressed in a revised set of TSS guidelines.

205. A number of delegations expressed support for the UNFPA proposal not to alter the current configuration of the CSTs to accommodate the concept of satellite units, as that went against the multidisciplinary nature of the arrangements. Several delegations agreed with UNFPA to maintain the three-team configuration in the Africa region and to strengthen the CSTs in the region in order to meet future demands. One representative suggested creating subteams within the existing three CSTs in the Africa region. Another supported the UNFPA proposal to retain the current location for the CST for Latin America and the Caribbean; a third representative asked whether the current locations of the CSTs were the most suitable. The Deputy Executive Director (Programme) was pleased to note the broad-based support among the members of the Executive Board to retain the current configuration of the CSTs. On the issue of subteams within existing teams, he explained that the concept would be detrimental to the multidisciplinary nature of the teams. With regard to the location of the CSTs, he informed the Board that, following the Governing Council's earlier discussion on the issue, it had been decided

that the CSTs should be located close to the regional commissions of the United Nations. He said that after four years of implementation, all parties to the TSS system were fully satisfied with the current locations of the teams.

206. There was broad-based support among the members of the Executive Board for the UNFPA proposal to increase the total number of CST advisers from 122 to 128, as follows: 3 additional advisers in the Africa region; 1 additional adviser in the Arab States and Europe region; 1 adviser less in the Asia and Pacific region; and 3 additional advisers in the Latin America and the Caribbean region. Several delegations asked whether the proposed strengthening in the Africa region was sufficient to meet future demands. One representative noted the particular need for more reproductive-health, operations-research and logistics expertise in Africa. Others requested information on the criteria used to determine the proposed composition of the TSS system. The Deputy Executive Director (Programme) explained that following the review of the findings and recommendations of the evaluation mission by UNFPA and its partner agencies, the Fund requested its field offices to provide information on the future needs and requirements for technical services. Drawing upon field responses, and taking into account available statistics on the workload of the advisers, UNFPA headquarters, CST Directors, and partner agencies discussed and agreed upon the composition of the teams and the posts at TSS agency headquarters. The Deputy Executive Director (Programme) agreed that three additional posts in Africa might not be enough to strengthen the teams there. He indicated that greater reliance on national expertise would be encouraged, and should that prove insufficient, UNFPA country offices might resort to obtaining technical advice from other CSTs, from TSS agency headquarters or from consultants.

207. While one delegation endorsed the UNFPA proposal to maintain the number of TSS specialists posts at agency headquarters, several others, citing the evaluation report that the TSS specialists and coordinators had not functioned to their full capacity, requested more information as to why UNFPA did not propose to redeploy some of those posts to the CSTs. A few delegations asked if there were other modalities that could be used to develop collaboration between UNFPA and partner agencies. The Deputy Executive Director (Programme) explained the need to maintain the posts at agency headquarters, the regional commissions of the United Nations, and the regional offices of WHO in order to assist the agencies in incorporating the ICPD Programme of Action and the population dimension into their respective mandates and in providing technical backstopping to the CSTs. However, he indicated that their functions could be improved and noted that UNFPA would very carefully monitor the performance of the TSS specialists and would report to the Executive Board on the progress of the arrangement after two years.

208. Some delegations emphasized the need for improved communication within the TSS system, in particular between the TSS agency headquarters and the CSTs. One delegation endorsed the UNFPA suggestion that the CST advisers should make greater use of electronic means of communication with the UNFPA field offices in order to allow more time for non-mission tasks. Another delegation stressed the importance of continuing efforts to improve the contacts between UNFPA field offices, CSTs and other donors at the country level. The Deputy Executive Director (Programme) fully supported the comments

raised and informed the delegations that collaboration between the field offices, CSTs and other donors had, in fact, already taken place in certain countries.

209. Some delegations expressed concern as to how UNFPA would ensure that the TSS specialists and CST advisers would provide high-quality services, in particular incorporating the ICPD Programme of Action into their work. The Deputy Executive Director (Programme) indicated that UNFPA, together with the partner agencies, had started a process to assess the performance of TSS incumbents. There would also be training and re-training activities for the TSS specialists and CST advisers in the three new core programme areas in the form of workshops and seminars.

210. A few members of the Executive Board referred to the ACABQ recommendation in document DP/1995/43 to include UNFPA staff in the CST offices in the APSS budget in order to obtain a greater degree of transparency when reporting on programme and administrative costs related to those posts. While expressing the need for greater transparency, delegations generally did not wish to include the above posts in the APSS budget. The Deputy Executive Director (Programme) reiterated the need to maintain flexibility in assigning certain TSS posts that were currently with UNFPA. In that regard, he mentioned that some of the gender, population and development posts might be assigned to UNIFEM in the near future.

211. One delegation asked if paragraph 9 of the report referred only to the English-speaking Caribbean, as indicated in the text. The Deputy Executive Director (Programme) noted that there was an inadvertent omission in the text, which should have specifically mentioned the French- and Spanish-speaking Caribbean countries among the group of Caribbean countries that received technical backstopping from the CST for Latin America and the Caribbean.

212. The Executive Board adopted the following decision:

95/34. UNFPA: Technical support services arrangements

The Executive Board

1. Takes note of the report of the Executive Director as contained in document DP/1995/40;

2. Also takes note of the proposals contained therein and welcomes the plan of the Executive Director to strengthen the technical support services (TSS) arrangements, and in particular the country support teams;

3. Requests the Executive Director to enhance the contribution of the TSS arrangements towards national capacity-building;

4. Also notes with concern the heavy workloads of some staff of the country support teams, and requests the Executive Director to monitor carefully the adequacy of the arrangements proposed, especially in relation to Africa, and consider further the probable need to reassign TSS specialists posts to country support teams;

5. Stresses the need to ensure that the country support teams have staff with the skills and experience to contribute effectively to national efforts to attain those goals of the Programme of Action of the International Conference on Population and Development, for which the United Nations Population Fund has responsibility, especially in relation to reproductive health;

6. Requests the Executive Director to report annually to the Executive Board, starting at the third regular session 1997, on the implementation and monitoring of the technical support services arrangements;

7. Further requests the Executive Director to include in its report to the Executive Board in 1997:

(a) Details of progress made in implementing the technical support services arrangements with regard to the proposed change of coordinator posts to specialists posts at the United Nations and its regional commissions and at World Health Organization regional offices, as contained in paragraph 60 of document DP/1995/40;

(b) An assessment of the appropriateness and effectiveness of the specialists posts, and details of measures taken to strengthen the teamwork between TSS specialists and country support teams and to strengthen the advocacy function of TSS specialists;

8. Authorizes the Executive Director to commit an amount of $107 million over the four-year period 1996-1999 to implement the TSS arrangements.

15 September 1995

X. UNFPA: GLOBAL INITIATIVE ON CONTRACEPTIVE REQUIREMENTS

213. The UNFPA Deputy Executive Director (Technical Services) introduced the report on Global Initiative on Contraceptive Requirements and Logistics Management Needs in Developing Countries in the 1990s (DP/1995/62). He noted that the proposal for continuing the Global Initiative, as called for in decision 95/21, was included in the Fund's proposed intercountry programme for 1996-1996, as contained in document DP/1995/44. He therefore focused on part B of document DP/1995/62, which discussed the modalities and procedures for establishing a global contraceptive commodity facility. Such a facility would enable UNFPA to respond promptly to the contraceptive needs of recipient countries, reducing the lead-time required from the initiation of a request for contraceptives to the time of delivery. This was needed where developing country programmes faced contraceptive shortages. Prompt response in such instances was required to avert critical disruptions to contraceptive supplies. The facility would ensure that the contraceptive products supplied

were of the lowest possible cost and of the appropriate quality. The Deputy Executive Director suggested that the Executive Board authorize the establishment of a revolving fund with an initial allocation of $5 million and the appointment of two additional project staff to administer and manage the facility.

214. A number of delegations supported the proposal. One noted that the proposal complied with the Programme of Action of the ICPD and addressed vital issues of building national capacity in meeting contraceptive requirements and logistics management needs for developing countries. Another emphasized that the local production, procurement and distribution of contraceptive supplies were central to the concept of national execution. A third recommended charging reasonable fees for use of the revolving fund as a way of ensuring the sustainability of the facility. Two others emphasized the importance of closely coordinating the activities of the Global Initiative and the work of the global facility.

215. Several delegations sought clarification on specific issues. Two were concerned that UNFPA management of the facility might divert the Fund's focus away from reproductive health; one delegation reminded UNFPA, in that regard, that the focus of the Fund's activities, in light of the outcome of the Cairo Conference, should not be limited exclusively to family planning but should strike a balance between reproductive health services, education and counselling; two others asked why the facility was to be managed by UNFPA and not by UNICEF or the Inter-Agency Procurement Services Office (IAPSO) or some other United Nations agencies with experience in procurement and distribution of commodities and equipment. They therefore sought further information as to the comparative advantage of UNFPA in that area. One felt that the staff required to manage the facility should come from within existing staffing levels; another thought it might be overly optimistic to think that two staff members could operate adequately such a facility; two others asked how the facility would enhance national capacity- building.

216. The Deputy Executive Director (Technical Services) informed the delegations that UNFPA was the world's largest purchaser of contraceptive products, procuring some $80 million worth of contraceptives in 1994. He noted that no other United Nations agency (except WHO on a small scale) was involved in purchasing contraceptives. UNFPA had procured contraceptives for the World Bank, UNDP and many bilateral agencies. This worked well because the Fund could take advantage of economies of scale, securing the lowest per-unit prices for contraceptive commodities and ensuring the required quality, as specified by WHO. The Fund also worked closely with IAPSO and UNICEF on commodity and equipment procurement but those agencies were not undertaking the purchase of contraceptives. The Deputy Executive Director emphasized in that connection that all contraceptive commodities were supplied at the request of Governments. He stressed that UNFPA was fully conscious of the need to build up national capacity to produce, procure and distribute contraceptives. That was in fact the comparative advantage of UNFPA - the ability to bring together the supply, logistics management and, where appropriate, production of contraceptives. The Fund also assisted countries by providing information and training in contraceptive procurement and logistics management. He noted that UNFPA did not intend to build a warehouse facility but would rather arrange with manufacturers for the storage of commodities at their facilities. He assured the Executive Board that UNFPA would not neglect its other activities for the sake of supplying

contraceptives through the global facility although there was an urgent need for such a facility. He pointed out that the two staff members assigned to the facility would complement the staff of the UNFPA Procurement Unit and of the Global Initiative on Contraceptive Requirements and Logistics Management Needs, thereby drawing on the built-in capability already developed at UNFPA.

217. Following the adoption of decision 95/36, one delegation expressed its disappointment that the Executive Board had not been able to reach a decision to establish the global facility even though there seemed to be strong support for such a proposal among a large number of delegations. Another representative stressed in that connection that while his delegation agreed in principle to the establishment of a global contraceptive commodity programme, it wanted the benefit of a comprehensive report on the proposed global programme, in particular regarding the comparative advantage of UNFPA vis-à-vis other procurement mechanisms within the United Nations system before it made its final decision on the matter.

218. The Executive Board adopted the following decision:

95/36. UNFPA: Global contraceptive commodity programme

The Executive Board

1. Recalls paragraph 7.25 of the ICPD Programme of Action and the decision of the Executive Board 95/21 requesting a proposal for the continuation of the Global Initiative on Contraceptive Requirements and Logistics Management Needs;

2. Takes note of the report contained in document DP/1995/62, entitled "Global Initiative on Contraceptive Requirements and Logistics Management Needs in Developing Countries in the 1990s", as well as the comments of the delegations;

3. Emphasizes that contraceptive commodity procurement and logistics activities in the United Nations Population Fund should be undertaken as an integral component of the overall work of the Fund in strengthening reproductive health programmes, including family planning and sexual health, and that these activities should be monitored carefully to ensure that they adhere to technical standards of safety and quality;

4. Further notes that a strengthened role for the United Nations Population Fund in contraceptive commodity procurement and logistics in the short and medium-term should support the objective of building national self-reliance in the longer term, including financial and technical capacity for local production where feasible, and urges the Executive Director to take additional steps towards this objective in the context of United Nations Population Fund country programmes;

5. Agrees in principle, subject to paragraph 6, to the establishment of a global contraceptive commodity programme to be managed by the United Nations Population Fund, whose objectives would be to anticipate demands and facilitate a prompt response in order to avert critical disruptions to contraceptive supplies; to achieve economies of scale and lower costs to recipient countries for contraceptive supplies; to ensure the quality of contraceptives provided by the United Nations Population Fund; and to build

national capacity to manage and finance contraceptive procurement and logistics on a self-reliant basis, so that this programme would no longer be needed;

6. Requests the Executive Director to submit to the Executive Board at its first regular session 1996 a comprehensive report on the envisaged global contraceptive commodity programme, including the objectives and scope, administrative and financial aspects, and the efforts made by the United Nations Population Fund to promote national capacity-building, drawing on the experience of other United Nations agencies, in particular, the United Nations Childrens Fund, the World Health Organization, and the Inter-Agency Procurement Service Office, in order to take a final decision on the matter.

15 September 1995

XI. UNFPA: INTERCOUNTRY AND COUNTRY PROGRAMMES

A. Intercountry programme, 1996-1999

219. The UNFPA Deputy Executive Director (Technical Services) introduced the review of the UNFPA intercountry programme, 1992-1995 (DP/1995/44/Add.1) and the proposed UNFPA intercountry programme, 1996-1999 (DP/1995/44). He highlighted some of the main accomplishments of the 1992-1995 programme, noting that it was not possible to refer to all of the worthwhile activities that had been undertaken in that period. He also acknowledged the need to place more emphasis on the monitoring and evaluation of intercountry programme activities.

220. In presenting the proposed programme for 1996-1999, he called attention to some of the important activities that made up the intercountry programme. These included, among others, the WHO Special Programme of Research, Development and Research Training in Human Reproduction (WHO/HRP); the Global Training Programme in Population and Sustainable Development; support for South-South cooperation through the Secretariat of Partners for Population and Development and its activities; and support for major reproductive health training programmes through institutions in four developing countries. The Deputy Executive Director also mentioned that the Global Initiative on Contraceptive Requirements and Logistics Management Needs in Developing Countries in the 1990s was an important component of the proposed programme and that it would continue its operations in the next four years with a secretariat composed of two Professionals and one support staff.

221. Several delegations took the floor during the discussion. One asked why the resources proposed for the Latin America and Caribbean region represented only a slight increase over those allocated in the 1992-1995 cycle. Another focused on the expected impact of intercountry activities at the country level, which he assumed would be clearly linked when UNFPA drew up

more detailed plans for the programme components and would be assessed by monitoring and evaluation mechanisms. The lessons learned from such monitoring and evaluation work could then be used as a basis for reporting on completed intercountry activities in the future. His delegation was not entirely clear as to the criteria used by UNFPA in deciding in which of the three core programme areas information, education and communications (IEC) and advocacy activities should be included. He also asked if UNFPA had undertaken any initiatives for collaboration with the for-profit sector. He said the report on the proposed programme, as presented, placed too much emphasis on execution by United Nations agencies. He therefore requested the Executive Director to ensure that the intercountry programme had as one of its objectives the promotion of the greater use of private-sector groups in providing access to reproductive health care.

222. A third delegation noted that the proposed programme was in line with the ICPD Programme of Action and the UNFPA programme priorities endorsed by the Executive Board at its annual session 1995. However, his delegation would have liked a more analytical report with clear objectives and goals, especially concerning reproductive health, including family planning and sexual health, and with ideas on how to integrate family planning into maternity and primary health care where such structures and institutions did not exist. He also emphasized the need to discuss the kinds of data required before deciding on the use of specific satellite and electronic technologies, and the need to include research on "demand for children" in the context of paragraph 63 of the report, in which research on the demand for family planning services was discussed.

223. In response, the UNFPA Deputy Executive Director (Technical Services) explained that the resources allocated to the Latin America and Caribbean regional programme should be seen within the larger context of the intercountry programme. For example, there were activities under the interregional programme that directly benefited the Latin America and Caribbean region, such as the support given to an institution in Mexico, totalling some $2 million, for South-South training activities in reproductive health for countries of the region. He acknowledged that the IEC and advocacy activities in the proposed programme might not have been as clearly delineated among the core programme areas as they could have been, but he assured delegations that such activities would be more clearly defined during the implementation of the programme.

224. Regarding the issue of assessing the impact of the interregional programme, UNFPA had started implementing a system of technical follow-up of interregional projects undertaken by its technical staff. The focus of such follow-up was on the impact of activities at both the global and the country levels; its primary aim was to build upon whatever capacity was available, especially at the country level. He said that UNFPA would take into account the suggestions made concerning research when the Fund established a detailed research agenda for the coming cycle. He noted in that regard that UNFPA would bring research findings to the attention of the Executive Board on a yearly basis. On the issue of the for-profit sector, he said that UNFPA had had only limited experience in working with that sector; however, a study on the matter was now under way. UNFPA would consult with agencies that had experience in the area and develop guidelines as appropriate. Concerning the objectives and goals of reproductive health care, he said that appropriate guidelines were being developed in that area in collaboration with WHO.

225. Following the discussion, the Executive Board approved the UNFPA intercountry programme in the amount of $175 million, to be distributed as follows: $102 million for the interregional programme; $28 million for the regional programme for sub-Saharan Africa; $12 million for the Arab States and Europe; $19 million for Asia and the Pacific; and $14 million for Latin America and the Caribbean.

B. Assistance to the Government of Costa Rica

226. Following the introduction of the proposed programme by the Chief of the Latin America and Caribbean Division of UNFPA, the Executive Board approved the country programme for Costa Rica as contained in document DP/FPA/CP/149. The representative of Costa Rica thanked UNFPA for its assistance to the Government of Costa Rica.

C. UNFPA country programme extensions

227. The UNFPA Deputy Executive Director (Programme) informed the Executive Board of requests for extensions of UNFPA country programmes, which UNFPA would submit to the Board at its first regular session 1996. He said that the Fund had originally planned to submit the requests to the Board at its third regular session 1995 but had decided to submit them to the January 1996 session instead owing to the extremely tight schedule of work of the third regular session. He noted the following proposed programme extensions, many of which were being done in order to synchronize the country programme cycles of the partner agencies of the Joint Consultative Group on Policy (JCGP): Africa: Uganda, for an additional amount of $6.2 million under its present programme cycle; Burkina Faso, for an additional amount of $3.1 million under its present country programme cycle; and Mali, for an additional year and an additional amount of $2.5 million; Latin America and the Caribbean: Bolivia, for an additional year and an additional amount of $2 million; Cuba, for an additional year and an additional amount of $1.5 million; and the Caribbean subregional programme, Dominican Republic, Ecuador, El Salvador, Haiti and Panama, each for an additional year but with minimal or no additional funding; Asia and the Pacific: Bangladesh, the Democratic People's Republic of Korea and India, each for an additional year but without any additional funding; and Arab States and European region: Albania and Algeria, each for an additional year without any additional funding.

228. The Executive Board took note of the Deputy Executive Director's oral report.

UNDP/UNFPA JOINT SEGMENT

XII. UNDP/UNFPA: FIELD VISITS 1995

Report on field visit to Colombia and Nicaragua (DP/1995/CRP.10)

229. The representative of the United Kingdom explained that an oral report on the Executive Board field visit to Colombia and Nicaragua, undertaken from 20-31 March 1995, had been presented at the second regular session 1995. The summary was reflected in the report on that session. He noted, however, that one of the most interesting facets of the report on the field visit had been with reference to cost-sharing, which had been a subject of discussion both at the present session and at the annual session 1995. In the case of the countries visited by the team, cost-sharing had brought benefits to both UNDP and the programme countries.

Report on field visit to Turkey (DP/1995/CRP.11)

230. The representative of the Republic of Korea introduced the report of the field visit to Turkey, which took place from 15-23 May 1995. It was the first field visit to follow the new Executive Board guidelines for field visits, in which one country was visited in eight working days. He expressed appreciation to the Government of Turkey for its hospitality. The team reviewed the implementation of the programme approach and the country strategy note process. It was also noted that Turkey had been one of the first countries to present joint UNDP and UNFPA programmes to the Executive Board.

231. Aspects of the report relating to coordination at the country level, use of national execution and technical cooperation among developing countries were highlighted. Four recommendations were presented by the team in its report: (a) the UNDP role in coordination should be strengthened; (b) delegation of authority should be implemented provided that clear policy guidelines and unified criteria were received from headquarters; (c) the Government of Turkey should be supported in its efforts to allow for increased use of Turkey's technical cooperation capabilities with other developing countries; and (d) the respective country area officer from the Regional Bureau and UNFPA Geographical Division should participate in the Executive Board field visit.

232. One delegation expressed appreciation for the effort to decrease regional disparities through the Turkish International Cooperation Agency (TICA). Participation of his country's representative on the field visit had enabled increased knowledge about UNDP best practices. Another delegation hoped that the Executive Board would continue to pay attention to the region and encourage future field visits to the area.

233. The representative of Turkey expressed the gratitude of his Government to the Executive Board and to those team members who had visited Turkey. He reiterated the commitment of his Government to close cooperation with UNDP.

Report on field visit to Niger and Ghana (DP/1995/CRP.12)

234. The representative of Trinidad and Tobago introduced the report on the field visit to Niger and Ghana, which took place from 29 July to 12 August 1995. Specific aspects pertaining to the UNDP and UNFPA programmes in each country were highlighted. He summarized the overall recommendations of the mission as follows: (a) there was a need for further elaboration and improvement of the national technical cooperation assessment and programmes (NATCAP) mechanism in order to achieve a complete overview of foreign aid and government counterpart obligations; (b) the authority of representation of UNFPA at the country level should be moved from the Resident Representative to the Country Director, who should serve as the UNFPA Representative, in accordance with Executive Board decision 95/20; (c) all United Nations entities should be involved from the outset in the preparation of country strategy notes; and (d) the role of the resident coordinator should be strengthened, hand-in-hand with the further decentralization of authority to the field level.

235. The mission expressed its appreciation to the Governments of Niger and Ghana and to the UNDP and UNFPA representatives at the country and headquarters levels, including those affiliated with the United Nations Office to Combat Desertification and Drought and the United Nations Capital Development Fund.

236. One speaker asked for a French translation of the report of the visit to Niger. He stated that the field visit to Niger had demonstrated the dedication of UNDP to least developed countries. He noted that cooperation between UNDP and the Bretton Woods institutions could be further improved.

237. The representative of Niger thanked the Executive Board for arranging the visit. The report demonstrated that assistance from UNDP and UNFPA to Niger was of crucial importance. However, the overall downsizing of UNDP resources was of great concern.

238. It was confirmed by the secretariat that the report of the mission would be translated into French.

239. The Executive Board took note of the reports of the field visits undertaken in 1995.

XIII. UNDP/UNFPA: JOINT AND CO-SPONSORED UNITED NATIONS PROGRAMME ON HIV/AIDS

240. The Executive Board decided to postpone item 13 of the joint UNDP/UNFPA segment on the Joint and Co-Sponsored United Nations Programme on HIV/AIDS and to consider it at its first regular session 1996 on the basis of a written report by the Secretariat.

XIV. OTHER MATTERS

A. Impact and coordination efforts following the series of hurricanes affecting the Caribbean

241. One delegation, on behalf of the Latin America and Caribbean group, introduced a draft decision relating to the recent series of hurricanes that had affected the Caribbean region. One delegation expressed support for the draft decision. Another delegation, supported by others, requested that the Executive Board be cautious in taking decisions on ad hoc situations.

242. The representative of Trinidad and Tobago expressed thanks to the Executive Board for approving the decision and to those Governments who had contributed to the relief effort through bilateral channels. He looked forward to the continued cooperation with UNDP in the areas mentioned in the decision.

243. The Executive Board adopted the following decision:

95/33. Impact and coordination efforts following the series of hurricanes affecting the Caribbean

The Executive Board

1. Distressed by the destruction caused by hurricanes in the Caribbean region during the present hurricane season;

2. Conveys its sympathy and condolences to the Government and people of the affected countries for the loss of life and severe damage and expresses the hope for a speedy and successful reconstruction;

3. Acknowledges the fragile ecosystems of small island countries and their particular vulnerability to natural disasters, and underscores the need to continue United Nations Development Programme support to disaster response, management and early warning systems;

4. Acknowledges the coordinating role being played by the resident representatives in the region;

5. Requests the Administrator to continue to support the effective coordination of response measures and contribute to the mobilization of resources for the response effort as far as possible, bearing in mind the special situation of countries in the Caribbean.

15 September 1995

B. United Nations system regular and extrabudgetary technical cooperation expenditures

244. The Director of the Science, Technology and Private Sector Division of the Bureau for Policy and Programme Support introduced the report on United Nations system regular and extrabudgetary technical cooperation expenditures

(DP/1995/56). He explained that, in general, the defining feature of both expenditures and contributions was one of contraction. At a general level, during 1994, all major expenditures categories had decreased in nominal terms, and it was the first time in many years that all major expenditure categories had decreased simultaneously. Extrabudgetary contributions to agencies had also declined. He also summarized specific expenditure statistics that were described in the report.

245. The Executive Board took note of the report on United Nations system regular and extrabudgetary technical cooperation expenditures (DP/1995/56).

C. UNDP assistance to Myanmar

246. One delegation raised the issue of UNDP assistance to Myanmar, stating that the manner in which it had been addressed might have had a negative impact on the reputation of the Organization. The representative recounted the history of the issue, referring to the adoption of Governing Council decisions 92/96 and 93/21 on assistance to Myanmar. He also cited the Administrator's statement to the Executive Board at its annual session 1994 to the effect that he would be submitting future programming, including options on assistance to Myanmar, which would be left to the decision of the Executive Board for future action.

247. The representative further stated that his Government fully shared the view of the Administrator that the disposition of an issue as important as whether to continue the suspension of new assistance to a Member State should be left to the Executive Board, as it would enhance organizational transparency. His delegation formally requested that proposals for future programming for Myanmar be submitted to the Board at its first regular session 1996. His Government had been pleased with recent developments in Myanmar, and in response had adopted a new policy on bilateral assistance to Myanmar. Aid was extended on a case-by-case basis for such projects as those on which work had been suspended and those aimed at meeting basic human needs. The Administrator was asked to take note of the aid policy of his Government, which gave due consideration to positive changes in Myanmar. He also stressed the importance of transparency in the management of all issues before UNDP.

248. The representative of Myanmar expressed his thanks for the previous statement. Although UNDP assistance to his country had been dwindling, it was still much appreciated. Another delegation, supported by five others, reiterated the request to UNDP to submit plans for future programming as early as possible and to maintain the principles of neutrality and transparency.

249. In response, the President indicated that the points raised would be reflected in the minutes of the Board's session, and reported that the UNDP secretariat expected to bring the future of project fund in Myanmar to the Executive Board at its first regular session 1996.

D. Conclusion of the session

250. The Executive Board concluded its work by adopting the following decision:

95/37. Overview of decisions adopted by the Executive Board at its third regular session 1995

The Executive Board

Recalls that during its third regular session 1995 it:

ITEM 1: ORGANIZATIONAL MATTERS

Approved the agenda and work plan for its third regular session 1995 with oral amendments (DP/1995/L.4);

Approved the report of the annual session 1995 (DP/1995/39);

Approved the following schedule of future sessions of the Executive Board subject to the approval of the Committee on Conferences:

First regular session 1996:	15-19 January 1996
Second regular session 1996:	25-29 March 1996
Annual session 1996:	6-17 or 13-24 May 1996*
Third regular session 1996:	9-13 September 1996

* Depending on whether the annual session is held in Geneva (6-17 May) or New York (13-24 May).

Agreed to the subjects to be discussed at the 1996 sessions as listed in the annex;

ITEM 2: UNDP: MATTERS RELATING TO THE PROGRAMMING CYCLE

Adopted decision 95/26 of 14 September 1995 on matters relating to the fifth programming cycle: calculation of independence bonus;

ITEM 3: UNDP: COUNTRY PROGRAMMES AND RELATED MATTERS

Endorsed the reorientation of the fifth country programme for Rwanda (DP/1995/57);

Endorsed the reorientation of the fifth country programme for Burundi (DP/1995/58);

Approved the first country programme for Azerbaijan (DP/CP/AZE/1);

Approved the first country programme for the Russian Federation (DP/CP/RUS/1);

Approved the fifth country programme for Haiti (DP/CP/HAI/5);

Took note of the report of the Administrator on Haiti's development needs and activities (DP/1995/48) and authorized the Administrator to release the remaining 50 per cent of the restored indicative planning figure for programming;

UNDP mid-term reviews

Adopted decision 95/25 of 13 September on intercountry programmes;

Took note of the overview report on mid-term reviews (DP/1995/47);

Took note of the mid-term review of the fifth cycle programme for global and interregional programmes (DP/1995/47/Add.1);

Took note of the mid-term review of the fourth regional programme for Africa (DP/1995/47/Add.2);

Took note of the mid-term review of the fifth regional programme for Asia and the Pacific (DP/1995/47/Add.3);

Took note of the note by the Administrator on the third regional programme for the Arab States (DP/1995/47/Add.4);

Took note of the mid-term review of the fourth regional programme for Latin-America and the Caribbean (DP/1995/47/Add.5);

Took note of the note by the Administrator on the third regional programme for Europe and the Commonwealth of Independent States (DP/1995/47/Add.6);

ITEM 4: UNDP: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Adopted decision 95/29 of 15 September 1995 on UNDP: Annual review of the financial situation 1994;

Adopted decision 95/30 of 15 September 1995 on harmonization of budget presentations;

Adopted decision 95/28 of 15 September 1995 on UNDP: Revised budget estimates for the 1994-1995 biennium and budget estimates for the 1996-1997 biennium;

Adopted decision 95/27 of 14 September 1995 on procurement from developing countries;

Took note of the report of the Advisory Committee for Administrative and Budgetary Questions on the revised budget estimates for the 1994-1995 biennium and budget estimates for the 1996-1997 biennium (DP/1995/52);

Took note of UNDP audit reports: Summary of significant observations of the external auditors of the executing agencies on their 1993 accounts relating to funds allocated to them by UNDP and audited accounts of the executing agencies as at 31 December 1993 (DP/1995/53 and Add.1);

ITEM 5: UNDP: AGENCY SUPPORT COSTS

Decided to postpone consideration of agenda item 5: UNDP: Agency support costs (DP/1995/49) to the first regular session 1996 of the Executive Board;

ITEM 6: UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Adopted decision 95/31 of 15 September 1995 on United Nations Office for Project Services revised budget estimates for the biennium 1994-1995 and budget estimates for the biennium 1996-1997;

Took note of the report of the Advisory Committee for Administrative and Budgetary Questions on budget estimates for the 1994-1995 biennium (DP/1995/45);

ITEM 7: UNITED NATIONS DEVELOPMENT FUND FOR WOMEN

Adopted decision 95/32 of 15 September 1995 on matters relating to the accountability and responsibility and external evaluation of the United Nations Development Fund for Women;

ITEM 8: UNFPA: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Took note of the annual financial review, 1994 (DP/1995/41);

Adopted decision 95/35 of 15 September 1995 on financial, budgetary and administrative matters;

ITEM 9: UNFPA: REPORT ON THE IMPLEMENTATION OF UNFPA SUCCESSOR SUPPORT COST ARRANGEMENTS

Adopted decision 95/34 of 15 September 1995 on UNFPA: Technical support services arrangements;

ITEM 10: UNFPA: GLOBAL INITIATIVE ON CONTRACEPTIVE REQUIREMENTS

Adopted decision 95/36 of 15 September 1995 on UNFPA: Global contraceptive commodity programme;

ITEM 11: INTERCOUNTRY AND COUNTRY PROGRAMMES

Approved the UNFPA intercountry programme for 1996-1999 (DP/1995/44), including the resource distribution as proposed in paragraph 118 of the document, and took note of the report of the Executive Director on the review of the UNFPA intercountry programme 1992-1995 (DP/1995/44/Add.1);

Approved the UNFPA country programme for Costa Rica (DP/FPA/CP/149);

Took note of the report of the Deputy Executive Director on the extension of UNFPA country programmes;

ITEM 12: UNDP/UNFPA: FIELD VISITS 1995

Took note of the reports of the field visits undertaken in 1995:

Report on field visit to Colombia and Nicaragua (DP/1995/CRP.10);

Report on field visit to Turkey (DP/1995/CRP.11);

Report on field visit to Niger and Ghana (DP/1995/CRP.12);

ITEM 13: JOINT AND CO-SPONSORED UNITED NATIONS PROGRAMME ON HIV/AIDS

Decided to postpone consideration of agenda item 13: Joint and Co-sponsored United Nations Programme on HIV/AIDS, and requested that a written report on the progress made in the establishment of the Joint and Co-sponsored United Nations programmes on HIV/AIDS (UNAIDS) and the role of UNDP in the United Nations systems response to the HIV/AIDS epidemic, be presented for consideration at the first regular session 1996 of the Executive Board;

ITEM 14: OTHER MATTERS

Adopted decision 95/33 of 15 September 1995 on impact and coordination efforts following the series of hurricanes affecting the Caribbean;

Took note of the report the Administrator on United Nations system regular and extrabudgetary technical cooperation expenditures (DP/1995/56, Add.1 and Add.1/Corr.1);

15 September 1995

Annex

ALLOCATION OF SUBJECTS FOR FUTURE SESSIONS

The following subjects are scheduled to be considered at future sessions:

First regular session (15-19 January 1996)

Item 1. Organizational matters (including election of Bureau and rules of procedure)

UNDP segment

Item 2. Initiatives for change: follow-up to decision 95/22

Item 3. Matters relating to the programming cycles

Item 4. Country programmes and related matters

Item 5. Report on the activities of the Inter-Agency Procurement Services Office

Item 6. United Nations technical cooperation activities

Item 7. United Nations Development Fund for Women

Item 8. Agency support costs

UNDP/UNFPA joint segment

Item 9. Follow-up to and preparations for the Economic and Social Council

Item 10. UNDP/UNFPA Joint and Co-sponsored Programme on HIV/AIDS

UNFPA segment

Item 11. Strategy for allocation of UNFPA resources

Item 12. Future role of the UNFPA in assessing and meeting contraceptive requirements and logistics management needs

Item 13. Global contraceptive commodity programme

Item 14. Possible membership of the UNDP/UNFPA Executive Board in the UNICEF/WHO Joint Committee on Health Policy

Item 15. Country programmes and related matters

Item 16. Financial, budgetary and administrative matters: Follow-up to Executive Board decision 95/35

Item 17. Other matters

Second regular session (25-29 March 1996)

- Organizational matters

UNFPA segment

- Country programmes and related matters

- Financial, budgetary and administrative matter: Follow-up to Executive Board decision 95/35

UNFPA/UNDP segment

- Harmonization of presentation of budget and accounts

UNDP segment

- Country programmes and related matters

- Financial, budgetary and administrative matters: Follow-up to Executive Board decision 95/28

- Evaluation

- United Nations Volunteers

- United Nations Development Fund for Women: Follow-up to Executive Board decisions 95/18 and 95/32

- Assistance to the Palestinian people

- UNOPS: Follow-up to Executive Board decision 95/31

Annual session (6-17 or 13-24 May 1996)

- Organizational matters

UNDP segment

- Annual report of the Administrator and related matters
- Initiatives for change: Follow-up to decision 95/22
- Matters relating to the programming cycles:
  -- Implementation of the new programming arrangements: interim report
- United Nations Development Fund for Women
- United Nations Office for Project Services

UNDP/UNFPA segment

- Reports to the Economic and Social Council
- Harmonization of presentation of budget and accounts

UNFPA segment

- Report of the Executive Director and programme-level activities
- Country programmes and related matters

Third regular session (9-13 September 1996)

- Organizational matters

UNFPA segment

- Financial, budgetary and administrative matters

- Technical support services arrangements

- Country programmes and related matters

UNFPA/UNDP segment

- Harmonization of presentation of budgets and accounts

- Reports on field visits

UNDP segment

- Matters relating to programming cycles: Follow-up to Executive Board decisions 95/23 and 95/26

- Country programmes and related matters

- Agency support costs

- Financial, budgetary and administrative matters

- United Nations Development Fund for Women

- Report on the activities of the Inter-Agency Procurement Services Office

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